

BOARD OF DIRECTORS

Dorothy P. Harris, Chairperson

Conchita S.N. Taitano, Vice Chairperson

Fe R. Valencia-Ovalles, Board Secretary



Resolution No. 2024-15

RELATIVE TO REQUESTING FOR CREATION OF POSITION OF AN EQUIPMENT MAINTENANCE MANAGER AND APPROVAL TO NOT MERGE THE OPERATIONS AND EQUIPMENT MAINTENANCE DIVISIONS.

BE IT RESOLVED BY BOARD OF DIRECTORS OF THE JOSE D. LEON GUERRERO COMMERCIAL PORT:

WHEREAS, On September 26, 2024, the Board of Directors passed Resolution 2024-14, Relative to Holding in Abeyance the Merger of Operations and Equipment Maintenance Divisions, the Amendment of the Operations and Equipment Maintenance Manager and Address the Impact of the Realignment on the Organizational Structure; and

WHEREAS, Resolution No. 2024-14, approved the following:

1. Approved to hold in abeyance only the merger of the Operations and Equipment Maintenance divisions, allowing the General Manager to further assess whether the merger would provide additional benefits to the Port Authority of Guam's operations or whether the succession plan should be amended to allow for the Maintenance Manager position to be amended to the Equipment Maintenance Manager position, reflecting the current organizational structure; and
2. Approved maintaining the current salary structure for the Operations Manager and Maintenance Manager positions, with no salary increases, as the merger of the Operations and Equipment Maintenance Manager positions will be held in abeyance; and
3. Authorized the General Manager to retain the Operations Manager and Maintenance Manager positions, without abolishing them, and to continue filling the Maintenance Manager position in an acting capacity pursuant to the Port's Personnel Rules and Regulations; and
4. Supported the General Manager's continued assessment of the operational needs of the Port Authority, specifically regarding the potential merger of the Operations and Equipment Maintenance Manager positions. The General Manager will provide periodic updates to the Board on the assessment and make recommendations if any significant changes to the organizational structure are warranted.

WHEREAS, in the 2018 Leon Guerrero Transition Report identified a lack of succession planning, which created leadership continuity challenges within key departments, including Operations and Equipment Maintenance. The merger of the Operations and Maintenance was originally proposed to balance the need for preventative maintenance of yard equipment with the continued operations of vessels, both critical to the Port's efficiency; and

WHEREAS, on September 28, 2023, the Board passed Resolution No. 2023-15, authorizing the realignment of the Port's organizational structure, including the merger of the Operations and Equipment Maintenance divisions, the establishment of Facility Maintenance as a standalone division, the merger of the Capital Improvement Projects and Engineering divisions, and the separation of Occupational Safety and Environmental Compliance into two divisions; and

WHEREAS, in late 2021, the retirement of two senior managers without a succession plan caused a leadership void in the Maintenance Department and to address this gap, the Operations Manager assumed the responsibilities of the Maintenance Manager without additional compensation, ensuring stability in maintenance operations during this period; and

WHEREAS, on April 25, 2024, the Board authorized the transparency and disclosure process related to the realignment and job specification amendments, followed by the approval of the realignment on May 31, 2024, and the filing of amended job standards with the 37th Guam Legislature on June 4, 2024; and



WHEREAS, since the realignment was approved, the General Manager reported significant improvements in the efficiency and effectiveness of the Port's maintenance division. Despite the merger of operations and maintenance, the maintenance division developed systems to streamline processes and integrated work orders with the E1 Financial Management System (E1), demonstrating its capacity to operate as a standalone division; and

WHEREAS, the realignment plan strengthened the Port's ability to manage cargo-handling equipment and maintain operational integrity, with the maintenance division building a robust structure, including the creation of Facility Maintenance as a separate division, further proving its capacity to function independently within the overall organizational restructuring; and

WHEREAS, the development of the EQMR Maintenance Dashboard, which began in 2021 and was officially implemented on August 28, 2024, reinforced the maintenance division's capabilities. By integrating data from the E1 system and tracking key metrics such as equipment downtime, parts availability, and estimated completion times, the dashboard streamlined operations and improved transparency across divisions, enabling the maintenance division to balance ongoing maintenance needs with the Port's operational requirements; and

WHEREAS, on July 8, 2024, the General Manager appointed an employee as Acting Maintenance Manager, which he introduced a policy to address the balance between vessel operations and yard equipment maintenance. The separation of the roles of Operations Manager and Maintenance Manager was supported by the EQMR Maintenance Dashboard, which provides real-time data to enable more precise scheduling and prioritization of preventative maintenance. The policy grants the Maintenance Division authority over yard equipment downtime, ensuring alignment between maintenance and operations for the overall efficiency of the Port's equipment; and

WHEREAS, the goal has always been to strike a harmonious balance between operations and maintenance, improving operational efficiency by reducing equipment failures and downtime. The EQMR Maintenance Dashboard supports this balance by ensuring that maintenance is prioritized based on operational needs, preventing delays from external factors; and

WHEREAS, these policies, combined with the data-driven approach of the EQMR Maintenance Dashboard, have resulted in significant operational improvements, ensuring that yard equipment remains in optimal condition while balancing the needs of vessel operations and administrative functions; and

WHEREAS, the EQMR Maintenance Dashboard integrates data from E1 system to offer transparency and accountability, providing insights to the EQMR Parts Team, Maintenance Control and Shop Leaders, allowing for efficient prioritization of work orders, monitoring delays and streamline repairs, while ensuring all stakeholders are kept informed; and

WHEREAS, these improvements are led by the Equipment Maintenance team, headed by the Equipment Maintenance Superintendent, with support from all sections in the division, this approach, reinforced by policies approved by the General Manager, prioritizes critical maintenance tasks, including preventive maintenance and corrosion control, focusing on operational needs and improving efficiency while preventing maintenance delays; and

WHEREAS, based on the assessment conducted by the General Manager, it would be beneficial to the Port to not merge the Operations Division and Equipment Maintenance Division into one division and maintain the divisions as separate as indicated in the current organizational structure; and

WHEREAS, to ensure a succession plan is in place for the Equipment Maintenance Division, it is recommended that an Equipment Maintenance Manager position be created in the classified service; and

WHEREAS, the Board of Directors supports the General Manager's capability to lead the Authority through the strategic transitions to create the capacity needed for sustained strong performance, so that the end results forge the organization's long-term success; now therefore, be it



RESOLVED, that the General Manager is authorized:

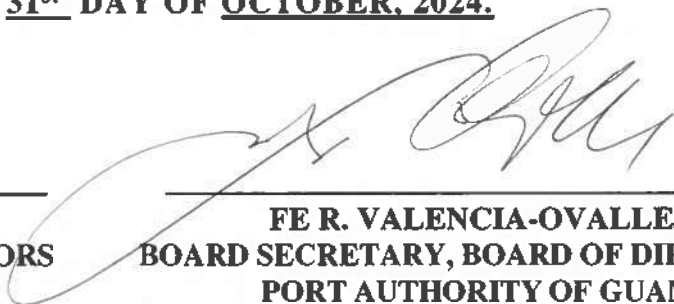
1. To proceed with the creation of the Equipment Maintenance Manager position in the classified service and comply with the transparency and disclosure processes as outlined in Section 6303(d) of Title 4 of the Guam Code Annotated and Rule 5.015 of the Personnel Rules and Regulations; and
2. To not merge the Operations and Equipment Maintenance divisions into one division and continue to operate it as separate divisions under the Authority's current organizational structure; and be it further

RESOLVED, that the Chairperson certify to, and the Secretary attest to, the adoption hereof.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF
DIRECTORS THIS 31st DAY OF OCTOBER, 2024.**



**DOROTHY P. HARRIS
CHAIRPERSON, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**



**FE R. VALENCIA-OVALLES
BOARD SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**

