

**BOARD OF DIRECTORS***Dorothy P. Harris, Chairperson**Conchita S.N. Taitano, Vice Chairperson**Fe R. Valencia-Ovalles, Board Secretary**Mark B. Mendiola, Board Member***Resolution No. 2025-38**

**RELATIVE TO AFFIRMING THE BOARD OF DIRECTORS' CONTINUED SUPPORT FOR BOND BORROWING TO LEVERAGE MATCHING FEDERAL FUNDS FOR THE ACQUISITION OF UP TO THREE GANTRY CRANES, REHABILITATION OF WHARVES AND PIERS INCLUDING REQUIRED UPGRADES FOR CRANE INSTALLATION, AND OTHER CRITICAL INFRASTRUCTURE FACILITIES, AND TO PROVIDE FOR THE REFUNDING OF THE 2018 REVENUE BOND, AND FINANCE, AND TO MEMORIALIZE THE PORT'S EFFORTS TO ACQUIRE THREE NEW SHIP-TO-SHORE GANTRY CRANES SINCE 2019.**

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

**WHEREAS**, on May 31, 2024, the Board of Directors adopted Resolution No. 2024-07, which affirmed the Port's authority to pursue bond borrowing as a viable financial mechanism for strategic capital improvements, including modernization of facilities and equipment, and directed management to explore financing opportunities in coordination with the Governor, the Guam Economic Development Authority, and the Legislature; and

**WHEREAS**, work on gantry crane specifications began in 2019 with the Port's engineering consultant and end users, defining technical requirements aligned with operational realities and long-term modernization needs, ensuring the Port would be ready to procure once funding and regulatory conditions allowed; and

**WHEREAS**, the Port submitted multiple federal grant applications for crane acquisition, including an application to the Economic Development Administration in 2019, a USDOT MEGA grant application in 2022, a USDOT INFRA grant application in 2023, and an OLDCC Defense Community Infrastructure Program application in 2024, all of which were denied due to noncompliance with Build America, Buy America Act (BABAA) requirements and the absence of waiver authority at the time; and

**WHEREAS**, on April 25, 2024, the Board of Directors unanimously adopted Resolution No. 2024-01, authorizing the Port General Manager to temporarily pause H-Wharf construction and redirect resources to crane acquisition, approving procurement of up to three new ship-to-shore gantry cranes and establishing comprehensive strategies for Port operational enhancement and financial reallocation; and

**WHEREAS**, on October 31, 2024, the Board of Directors adopted Resolution No. 2024-16, approving a multi-phase bidding process, in coordination with legal counsel, to ensure compliant and strategic procurement of gantry cranes; and

**WHEREAS**, in February 2025, the U.S. Maritime Administration granted a Build America, Buy America waiver for gantry cranes in Pacific territories, removing a long-standing barrier and directly enabling Guam's procurement of cranes that cannot be domestically manufactured; and

**WHEREAS**, in April 2025, the Port submitted another grant proposal to the Maritime Administration's Port Infrastructure Development Program (PIDP) for the acquisition of three new gantry cranes, which included the project titled "Strengthening Supply Chain with New Cranes" in congressional appropriations; and

**WHEREAS**, the Port's crane replacement program represents the single largest modernization investment in the Port's history, essential for sustaining Guam's growing cargo volumes, supporting Indo-Pacific defense throughput, and ensuring that the Port remains a reliable hub for both economic growth and national security; and

**WHEREAS**, crane modernization also directly supports safer and more efficient operations by reducing reliance on aging equipment; and if one of the existing cranes were to fail, the Port's operations would be significantly disrupted, jeopardizing fuel imports, supply chain stability, and military readiness, with analyses indicating that such a loss would set the military readiness program back by as much as four years; and

**WHEREAS**, the Board of Directors recognizes that the scope and cost of the gantry crane acquisition, wharf and pier rehabilitation, and other critical infrastructure upgrades exceed the Port's capacity to finance independently, and that bond borrowing is intended solely to generate sufficient funds to meet matching grant requirements in order to maximize federal investments in these projects; and



**WHEREAS**, the Port's crane project has also advanced through federal advocacy through active engagement by the Governor and Lieutenant Governor of Guam, Guam's Delegate to Congress, senators, and other local and federal partners including the Department of War, the U.S. Maritime Administration (MARAD), the Federal Emergency Management Agency (FEMA), the Office of Local Defense Community Cooperation (OLDCC), and the U.S. Coast Guard, to align the Port's modernization with civilian and military buildup mitigation efforts; and

**WHEREAS**, on August 28, 2025, the General Manager formally presented to the Board of Directors, as part of the General Manager's Report to the Board of Directors dated August 28, 2025, an updated status report on the gantry crane acquisition effort, memorializing the Port's sustained progress from 2019 through 2025 in technical planning, grant applications, board authorizations, procurement processes, federal waivers, and ongoing advocacy; and

**WHEREAS**, WSP, the Port's Owner Agent, has been contracted to update the wharf assessment and conduct financial feasibility studies to support bond financing, ensuring that wharf rehabilitation and crane installation requirements are fully addressed; and

**WHEREAS**, the Board of Directors affirms the Port's 50th Anniversary theme, "PORT STRONG: 50 Years of Grit, Resilience, and Service Fueling Local and Regional Economies, Partnerships, and National Security," which reflects the critical role of investing in cranes, wharf rehabilitation, and infrastructure improvements to sustain the Port's dual mission of economic vitality and defense readiness;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Port Authority of Guam hereby affirms its continued support for bond borrowing and related financial commitments to (1) leverage matching funds for federal awards, (2) acquire up to three gantry cranes, (3) rehabilitate wharves and piers including required upgrades for crane installation, (4) finance other critical infrastructure facilities, and (5) provide for the refunding of the 2018 Revenue Bond; and

**BE IT FURTHER RESOLVED**, that the Board of Directors affirms that bond borrowing is not intended to fully finance the Port's modernization projects, but rather to provide the necessary matching funds to support federal grants and ensure that Guam leverages every available federal resource to undertake these critical infrastructure upgrades; and

**BE IT FURTHER RESOLVED**, that the Board of Directors hereby memorializes the Port's sustained efforts since 2019 to acquire three new ship-to-shore gantry cranes, through technical planning, grant applications, board authorizations, procurement planning, and federal advocacy, as a modernization priority essential to Guam's economic lifeline and national security readiness; and

**BE IT FURTHER RESOLVED**, that the Chairperson certify to, and the Secretary attest to, the passage of this Resolution and that copies be transmitted to the Honorable Governor of Guam, Honorable Lt. Governor of Guam, the Speaker of *I Liheslaturan Guåhan*, Port's Legislative Oversight Chairperson, and the Administrator of the Guam Economic Development Authority.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF  
DIRECTORS THIS 2<sup>nd</sup> DAY OF OCTOBER, 2025.**

  
**DOROTHY P. HARRIS**  
Chairperson, Board of Directors  
Port Authority of Guam

  
**FE R. VALENCIA-OVALLES**  
Secretary, Board of Directors  
Port Authority of Guam

