Outlook

Messages & Communications Doc. No. 38GL-26-2848 through 2856.

From 38th Committee On Rules <committeeonrules@guamlegislature.gov>
Date Fri 9/11/2026 11:06 AM
To Guam Legislature Clerks <clerks@guamlegislature.gov>
Cc Frank Blas Jr. <speakerblas@guamlegislature.gov>

6 attachments (22 MB)

91126COMM Doc. No. 38GL-26-2848.pdf; 91126COMM Doc. No. 38GL-26-2849.pdf; 91126COMM Doc. No. 38GL-26-2850.pdf; 91126COMM Doc. No. 38GL-26-2851.pdf; 91126COMM Doc. No. 38GL-26-2856.pdf; 91126COMM Doc. No. 38GL-26-2854.pdf;

Håfa Adai Clerks Office,

Please see attached, **Messages & Communications Doc. No. 38GL-26-2848 through 2856** for processing:

√	**38GL-26-2848**	Department of Public Health and Social Services	Prior Year Obligation to pay Data Management Resources, LLC in the total amount of $79,127.00*
√	**38GL-26-2849**	Department of Land Management	FY2026 Monthly Revenue Collection Report for August 2026*
√	**38GL-26-2850**	Office of Public Accountability - Guam	Acting Administrator Designation of Maria Thyrza Bagana, for the Office of Public Accountability from September 5, 2026 to September 14, 2026*
√	**38GL-26-2851**	Guam Power Authority	Certificate of Emergency Procurement to Increase Generation Capacity.
	38GL-26-2852	Bureau of Budget and Management Research	American Rescue Plan Act of 2021 and Infrastructure Investment and Jobs Act Allocation Reports for period ending August 31, 2026*
√	**38GL-26-2853**	Port Authority of Guam	Board Meeting Packet for August 31, 2026*
√	**38GL-26-2854**	Public Defender Service Corporation - Government of Guam	Board of Trustees Meeting Packet for August 25, 2026*
√	**38GL-26-2855**	Guam Environmental Protection Agency	Board Meeting Packet for September 3, 2026.
√	**38GL-26-2856**	Department of Public Health and Social Services	Guam Department of Education (GDOE) Public Schools Variance Report for the month of August 2026*

Please retrieve Doc. No. 38GL-26-2853 and 2855 from link below:

[Messages & Communications Physical Scanned Copy - Google Drive]

Kindly reply to this email.

Si Yu'os ma'åse',

Marie Crisostomo

Committee on Rules Assistant

COMMITTEE ON RULES

Vice Speaker V. Anthony Ada, Chairperson

I Mina'trentai Ocho Na Liheslaturan Guåhan

38th Guam Legislature

Messages and Communications 38GL-26-2853*

2 messages

Speaker Frank Blas Jr. <speakerblas@guamlegislature.gov> Wed, Sep 9, 2026 at 10:07 AM
To: 38th Committee On Rules <committeeonrules@guamlegislature.gov>, Sabrina Salas Matanane <office.senatorbri@guamlegislature.gov>

Håfa adai,

Please see attached M&C Doc. No. 38GL-26-2853

38GL-26-2853	Port Authority of Guam	Board Meeting Packet for August 31, 2026*

Si Yu'os Ma'åse'

Bernice Rivera

Administrative Assistant

Office of Speaker Frank F. Blas, Jr.

I Mina'trentai Ocho na Liheslaturan Guåhan 38th Guam Legislature

Guam Congress Building, 163 Chalan Santo Papa, Hagatña

(671)969-6456
speakerblas@guamlegislature.gov

---------- Forwarded message ---------
From: **Margret Duenas** <mduenas@portofguam.com>
Date: Tue, Sep 8, 2026 at 5:16 PM
Subject: PAG Board Meeting Materials - August 31
To: speakerblas <speakerblas@guamlegislature.gov>

Hafa Adai Speaker,

In accordance with Section 8113.1, Chapter 8, 5 GCA, the Port Authority of Guam hereby submits an electronic copy of its Board of Directors August 31, 2026 board meeting materials.

Regards - marge

2 attachments

083126 PAG Board Meeting Materials.pdf
18366K

38GL-26-2853.pdf
1101K

38th Committee On Rules <committeeonrules@guamlegislature.gov> Wed, Sep 9, 2026 at 11:41 AM
To: "Speaker Frank Blas Jr." <speakerblas@guamlegislature.gov>

Håfa Adai,

Received, and thank you.

Si Yu'os ma'åse',

Marie Crisostomo

Committee on Rules Assistant

COMMITTEE ON RULES

Vice Speaker V. Anthony Ada, Chairperson

I Mina'trentai Ocho Na Liheslaturan Guåhan

38th Guam Legislature

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THE GUAM LEGISLATURE

Speaker Frank Blas Jr. <speakerblas@guamlegislature.gov>

PAG Board Meeting Materials - August 31

2 messages

Margret Duenas <mduenas@portofguam.com> Tue, Sep 8, 2026 at 5:14 PM
To: speakerblas <speakerblas@guamlegislature.gov>

Hafa Adai Speaker,

In accordance with Section 8113.1, Chapter 8, 5 GCA, the Port Authority of Guam hereby submits an electronic copy of its Board of Directors August 31, 2026 board meeting materials.

Regards - marge

Doc Type: 38GL-26-2853
OFFICE OF THE SPEAKER
FRANK F. BLAS, JR.
September 8, 2026
Time: 5:14 PM
Received:

083126 PAG Board Meeting Materials.pdf
18366K

Speaker Frank Blas Jr. <speakerblas@guamlegislature.gov> Wed, Sep 9, 2026 at 8:41 AM
To: Margret Duenas <mduenas@portofguam.com>

Håfa Adai,

Confirming receipt of your email.

Si Yu'os Ma'åse'

Bernice Rivera

Administrative Assistant

Office of Speaker Frank F. Blas, Jr.

I Mina'trentai Ocho na Liheslaturan Guåhan 38th Guam Legislature

Guam Congress Building, 163 Chalan Santo Papa, Hagatña

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[Quoted text hidden]

PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96915
Telephone: 671-477-5931/5 | Facsimile: 671-477-2689
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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

REGULAR MEETING OF THE BOARD OF DIRECTORS
Jose D. Leon Guerrero Commercial Port
Monday, August 31, 2026, 3:00 p.m.
PAG Board Conference Room

AGENDA

I. CALL TO ORDER

II. ELECTION OF OFFICERS

III. APPROVAL OF MINUTES

1. June 18, 2026 – Regular Board Meeting

IV. PUBLIC COMMENTS:
   a. Public Comments
   b. Employee Comments
   c. PAGGMA Association

V. GENERAL MANAGER'S REPORT

VI. OLD BUSINESS

VII. NEW BUSINESS

1. Approval of Fiscal Year 2027 Proposed Budget.

2. Adoption of Board Resolution No. 2026-06 relative to petitioning the Public Utilities Commission (PUC) for approval of RFP-PAG-022-003 A/E Design and Consulting Services for the Installation of a Fuel Pipeline System at F1 Pier and Golf Pier Connectivity project Amendment No. 1.

3. Adoption of Board Resolution No. 2026-07 relative to memorializing the General Manager's intent to exercise the one-year extension of the existing lease agreement with Black Construction Corporation for Hotel Wharf and to amend the lease to provide for an additional five-year term, representing approximately $5.47 million in lease revenue to the Port Authority of Guam over the additional six-year period.

4. Adoption of Board Resolution No. 2026-08 relative to memorializing the General Manager's intent to negotiate and execute a lease agreement between the Port Authority of Guam and KALS Corporation, dba Marina Grill, an existing Port tenant, for the continued operation and enhancement of the marina grill restaurant on Port property at the Agat Marina, including the contemplated introduction of the Taj Restaurant concept and menu offerings.

5. Adoption of Board Resolution No. 2026-09 relative to supporting the General Manager's operational policy governing the use and allocation of cargo handling and support resources during emergency, recovery, and constrained operations, including the use of vessel ship's gear, privately owned cargo handling equipment and personnel, and required fire suppression and mitigation resources, and authorizing compensation for such use and services.

6. Adoption of Board Resolution No. 2026-10 relative to acknowledging Moody's Ratings' August 6, 2026 rating action concerning the Port Authority of Guam and transmitting this resolution to the Guam Public Utilities Commission in connection with Port Docket 25-03.

7. Adoption of Board Resolution No. 2026-11 relative to authorizing the General Manager to purchase two vehicles for the Port Authority of Guam through an existing Government of Guam General Services Agency contract.

8. Request for Creation of Position - Assistant Personnel Services Administrator.

9. Adoption of Board Resolution No. 2026-12 relative to commending Port Authority General Manager Rory J. Respicio for receiving the 2025–2026 Professor John M. Phillips Excellence in Government Accountability Award and for his continuing leadership in building a culture of accountability, financial excellence, continuous improvement, and operational resilience.

10. Acceptance of Performance Evaluation of General Manager Rory Respicio for the period of January 2, 2025 to January 1, 2026.

11. Acceptance of Performance Evaluation of Deputy General Manager Dominic Muna for the period of January 2, 2025 to January 1, 2026.

12. Acceptance of Performance Evaluation of Deputy General Manager Pacifico Martir for the period of July 6, 2024 to July 5, 2025.

VIII. ADJOURNMENT

PORT OF GUAM
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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, June 18, 2026

I. CALL TO ORDER

The Chairperson called the regular meeting of the Board of Directors to order at 3:02 p.m., Thursday, June 18, 2026. Present at the meeting were:

Dorothy P. Harris, Chairperson
Conchita S.N. Taitano, Vice Chairperson
Fe R. Valencia-Ovalles, Board Secretary
Frank P. Arriola, Board Member
Rory J. Respicio, General Manager
Dominic G. Muna, Deputy General Manager, Operations
Pacifico R. Martir, Deputy General Manager, Admin/Finance
Jessica L. Toft, Port Staff Attorney

Absent were Board Member Mark B. Mendiola. Also present was Daily Post-David Castro; and Port Management Staff.

II. APPROVAL OF MINUTES

1. **May 28, 2026 – Regular Board Meeting:** Director Arriola made a motion to approve the minutes of May 28, 2026, subject to correction. The motion was seconded by Director Valencia-Ovalles and was unanimously passed.

III. PUBLIC COMMENTS

a. **Public Comments:** None.
b. **Employee Comments:** None.
c. **PAGGMA Association:** None.

IV. GENERAL MANAGER'S REPORT

1. **Port Reviews Division Progress and Challenges in Mid-Year Update.** The Port Authority of Guam completed its Management Performance Assessment (MPA) for the Fiscal Year 2026 Mid-Year Review, highlighting steady progress across all divisions and the continued implementation of reforms aimed at improving accountability, operational performance, and financial stewardship. The report reflects continued operational stability while advancing major infrastructure, modernization, workforce, financial, and operational initiatives. Each division was asked to identify its accomplishments, challenges, concerns, and priorities in relation to Look Ahead 2026. I then evaluated those submissions and provided direct feedback to each division. Division leadership was subsequently given an opportunity to review and comment on the draft before the report was finalized. The review reflects the Port's continued commitment to identifying and addressing organizational gaps, vulnerabilities, and legacy challenges before they become larger operational, financial, or compliance issues. This includes ongoing efforts to strengthen revenue integrity, internal controls, project oversight, workforce accountability, infrastructure planning, and long-term readiness.

This review highlights continued progress in federal grant implementation, financial oversight, revenue integrity, technology modernization, operational readiness, and organizational accountability. It also documents the progress made, challenges that remain, and expectations for the second half of FY 2026. The Port maintained uninterrupted cargo operations while supporting military readiness, emergency preparedness, and Guam's commercial supply chain requirements. Key priorities moving forward include execution of major capital improvement projects, the Port's tariff adjustment initiative, continued modernization efforts, workforce succession planning, and long-term financial sustainability. Despite challenges associated with aging infrastructure, inflationary pressures, and workforce recruitment, the Port remains focused on project delivery, accountability, and operational readiness as Guam's only commercial seaport. A more detailed report was submitted to the Board Chairperson and Directors on June 9, 2026, and that document will be appended to this General Manager's report.

2. **Port completes major generator replacement project on Gantry Crane 6.** The Port Authority of Guam has successfully completed a major generator replacement project on Gantry Crane 6, restoring the crane to full operational status following an extensive project that required months of coordination, specialized equipment, and the dedication of port employees. The project involved the removal and replacement of a 22,000-pound generator that serves as the sole power supply for Gantry Crane 6. The crane was returned to operations on May 26, 2026. The replacement became necessary after a generator motor bearing failure rendered the unit inoperable. The successful completion of this generator replacement demonstrates the skill, determination, and teamwork of our Port personnel. The efforts of everyone involved ensured that one of our critical cargo handling assets was safely returned to service. The project required the use of a telescopic crane with a lifting capacity of at least 150 tons to remove and install the massive generator. Crews first disconnected electrical systems, removed the exhaust system and supporting structures, dismantled the generator housing roof, and then lifted out the damaged generator. After repairs and preparation of the mounting base, crews reversed the process to install the new generator. Planning and execution involved personnel from all sections of EQMR. The project also required extensive coordination with outside vendors to overhaul and load-test the replacement generator before installation. The timeline was significantly impacted by Super Typhoon Sinlaku, which disrupted repair schedules and diverted resources to storm preparation and recovery efforts. Despite those setbacks, crews remained focused on completing the project and worked extended hours, including Sundays, to meet the rental crane schedule and minimize operational impacts. Safety remained the top priority throughout the project. Work areas were secured and coned off, comprehensive safety briefings were conducted before each phase of work, and crews followed strict protocols to address the risks associated with overhead lifting operations and work at elevated heights. Our employees consistently rise to every challenge placed before them. This project required teamwork, technical expertise, and perseverance. The dedication shown by our employees reflects the very best of what it means to be Port Strong. The restoration of Gantry Crane 6 strengthens the Port's cargo handling capabilities and supports continued operational reliability as Guam's only commercial seaport and a critical logistics hub for the region.

3. **Port personnel complete specialized Matson training in Hawaii for new Barge Voyager service.** Four Port Authority of Guam employees recently completed specialized operational training at Matson's Sand Island Terminal in Honolulu, Hawaii, as part of preparations for the launch of Matson's new Barge Voyager service. The training opportunity was fully sponsored by Matson and provided Port personnel with firsthand exposure to the cargo handling procedures, vessel operations, safety requirements, and equipment coordination that will be utilized in support of the new shuttle service between Guam and Kwajalein.

Representing the Port Authority of Guam were Operations Manager Glenn B. Nelson and Equipment Operator III employees Ted R. Cruz, Raymond I. San Nicolas, and John A. Santos. During the week-long training, the team observed live cargo operations at Matson's Sand Island facility and worked closely with Matson personnel to gain practical knowledge of loading, discharge, lashing, equipment movement, and vessel servicing procedures that will be implemented when the Barge Voyager begins service to Guam. The Barge Voyager is expected to play a critical role in supporting military and commercial cargo movements throughout the region. According to the site visit report, the new service will replace legacy operations and introduce specialized cargo handling methods designed to improve efficiency, reliability, and operational readiness. We thank Matson for investing in the training and professional development of Port personnel and appreciate Matson's commitment to ensuring the successful implementation of the Barge Voyager service and for providing our employees with this valuable training opportunity. By allowing our team to observe operations firsthand and learn directly from experienced Matson personnel, we are strengthening our readiness to support this important new service and further enhancing the Port's ability to serve Guam, our military partners, and our regional customers. The knowledge gained during this training has already helped identify practical solutions and equipment modifications that will support the successful launch of the Barge Voyager service. The training also provided Port personnel with the opportunity to study best practices that have been refined through years of successful operations in Hawaii. Lessons learned during the site visit will be incorporated into Guam's operational planning, equipment preparation, and workforce training efforts ahead of the Barge Voyager's arrival. The Port Authority of Guam extends its appreciation to Matson and its Sand Island operations team for hosting the training and fostering collaboration between the two organizations as they prepare for the launch of the new service.

4. **Port Meets with Department of War Representative on $1.4 Million Grant Application.** The Port Authority of Guam met with representatives from the U.S. Department of War's Office of Local Defense Community Cooperation (OLDCC) on May 29, 2026, to discuss the Port's application for a $1.4 million grant to support its Owner Agent Engineer (OAE) Modernization and Crane Support Program. The meeting focused on the Port's ongoing efforts to secure continued federal support for critical infrastructure modernization projects that strengthen Guam's role as a strategic logistics hub serving both commercial and national defense interests. In the meeting were Port Chief Planner Joe Javellana, Guam Community Defense Liaison Office (CDLO) representative Vera Topasna, Steve Chung, Pacific Readiness Senior Project Manager for the Department of Defense's Office of Local Defense Community Cooperation, and I. The proposed $1.4 million grant would fund the next phase of the Port's Owner Agent Engineer contract, providing technical oversight and engineering support for several major modernization initiatives, including the acquisition of new ship-to-shore gantry cranes, crane rail and wharf improvements, implementation of a new Terminal Operating System, and modernization of fuel infrastructure facilities. The Port's modernization efforts are essential not only to supporting Guam's economy but also to advancing our role in regional readiness and national security. We appreciate the continued partnership of OLDCC and the Guam Community Defense Liaison Office as we work to ensure the Port remains resilient, efficient, and capable of meeting the growing demands of both commercial trade and military logistics. The OAE program has played a critical role in advancing the Port and supporting projects that enhance cargo handling capacity, infrastructure resilience, and operational efficiency. Previous OLDCC-supported engineering efforts helped position the Port to secure major federal investments, including funding for new ship-to-shore gantry cranes and wharf rehabilitation projects. According to the grant proposal, the OAE will provide technical expertise and project oversight throughout the design, procurement, construction, and implementation phases of key infrastructure projects. The support is intended to ensure projects remain aligned with federal requirements, operational needs, and long-term strategic objectives.

5. **Port Advances Clean Ports Program with Workforce Development Planning Kickoff.** The Port Authority of Guam held a virtual kickoff meeting on June 10, 2026 for the Workforce Development Impact Analysis component of its federally funded Clean Ports Program, marking another important milestone in the Port's ongoing efforts to update its Net Zero Emissions Strategy and develop a long-term implementation plan for sustainable port operations. The virtual meeting brought together Port's Strategic Planning division, CIOP/Engineering Division team, Port's consultant WSP and I. The Workforce Development Impact Analysis is one of several key planning components funded through the Port's $2.4 million U.S. Environmental Protection Agency Clean Ports Program award. The analysis will evaluate how future zero-emission technologies and equipment deployments may impact the Port's workforce and the broader maritime industry on Guam. The effort will include surveys, interviews, and stakeholder engagement activities designed to gather input from employers and workers regarding potential workforce impacts associated with emerging technologies. Areas of evaluation will include workforce skill requirements, training needs, potential job displacement risks, workload changes, wage impacts, and health and safety considerations. The findings will help guide the development of strategies to support workers, strengthen workforce resiliency, and ensure employees have access to the training and resources necessary to adapt to future operational changes. This effort recognizes that the success of any modernization initiative depends on the people who make our Port operate every day. As we plan for the future, we are committed to ensuring our workforce remains prepared, supported, and positioned to benefit from new technologies and opportunities. The Port's greatest asset is its people, and workforce development must remain at the center of our planning efforts. In addition to evaluating workforce impacts, the project includes development of a High-Quality Jobs and Workforce Pathways strategy focused on expanding access to career opportunities associated with environmental sustainability, infrastructure modernization, and future port operations. The initiative will identify opportunities to create equitable pathways into maritime and environmental careers through internships, on-the-job training programs, technology forums, community outreach activities, and partnerships with educational institutions and workforce development organizations.

   Special emphasis will be placed on creating opportunities for residents of disadvantaged and near-port communities while helping address workforce shortages and future skills needs. The project will also examine funding opportunities and collaborative partnerships that can support workforce development initiatives while establishing methods to measure and monitor progress over time. The Clean Ports Program is about much more than reducing emissions, it is about building a stronger, more resilient Port that supports economic growth, environmental stewardship, and workforce opportunity for future generations. This kickoff moves us one step closer toward achieving those goals. The Workforce Development Impact Analysis and High-Quality Jobs and Workforce Pathways initiative are expected to continue throughout the planning process and will help inform future sustainability, resiliency, and modernization efforts across Guam's only commercial seaport. The Port Authority of Guam was awarded $2.4 million through the U.S. Environmental Protection Agency's Clean Ports Program Climate and Air Quality Planning Competition. The federal grant supports a comprehensive series of planning initiatives, including a mobile emissions inventory, updates to the Port's Net Zero Emissions Strategy, workforce development planning, climate resiliency planning, and implementation strategies focused on decarbonization and electrification of Port operations.

6. **Port Leaders Highlight Guam's Strategic Role at U.S. Ports Forum.** Chief Financial Officer Jojo Guevara and I represented the Port Authority of Guam as invited presenters at the U.S. Forum on Indian Ocean Ports and Supply Chains, a high-level international gathering hosted by the U.S.

Department of State that brought together senior government officials, port executives, logistics leaders, financial institutions, and industry representatives from the United States and countries throughout the Indian Ocean and South Asia region. The forum was organized with the support and participation of the U.S. Department of Commerce, U.S. Trade and Development Agency (USTDA), International Development Finance Corporation (DFC), U.S. Export-Import Bank (EXIM), U.S. Department of Transportation, U.S. Maritime Administration (MARAD), U.S. Coast Guard, U.S. Customs and Border Protection, and other federal agencies. Participants also included representatives from major U.S. ports, international port authorities, maritime companies, infrastructure firms, and supply chain organizations. The Port of Guam was invited to share its experiences as a critical Indo-Pacific gateway and one of the nation's most strategically important ports for commercial trade, regional logistics, and national security. I hosted a themed lunch discussion focused on Building Resilient Supply Chains, where lessons learned were shared from the COVID-19 pandemic, Typhoon Mawar, and Super Typhoon Sinlaku. The discussion highlighted how ports can strengthen supply chain resilience before, during, and after major disruptions. Our message was simple – "Connectivity, resilience, and readiness are inseparable. Guam's experience as a remote island community has taught us that investing in infrastructure, preparing for disruptions, and building strong partnerships are essential to keeping supply chains moving and ensuring communities receive the goods and resources they depend on.

Jojo participated as a panelist during the forum's session, "Designing Future-Ready Ports: Capacity, Connectivity, Control and Continuity," where he discussed Guam's efforts to modernize port infrastructure, strengthen operational readiness, improve connectivity, and strategically invest in the Port's long-term future. Jojo said that Ports today must be prepared not only for current demands but also for future challenges and that strategic investments in infrastructure, technology, and operational readiness are essential to ensuring supply chains remain reliable, efficient, and resilient. Throughout the forum, discussions repeatedly underscored Guam's growing importance as a strategic logistics hub in the Indo-Pacific region. Participants explored opportunities to strengthen port operations, improve regional connectivity, advance modernization efforts, and enhance supply chain security across global trade corridors.

One of the most significant developments discussed during the forum was the Port of Guam's recently awarded $59.6 million Port Infrastructure Development Program (PIDP) grant from MARAD. The grant will fund the replacement of the Port's aging ship-to-shore gantry cranes and represents one of the largest federal infrastructure investments ever awarded to the Port. We also met with Elizabeth O'Connor, Chief Counsel and Acting Deputy Administrator of MARAD, following her presentation on federal efforts to strengthen strategically important ports and invest in infrastructure that supports both commercial supply chains and national defense capabilities. During their discussion, we thanked MARAD for its support and provided an update on the Port's crane replacement project. O'Connor expressed enthusiasm for the project and demonstrated a strong understanding of Guam's strategic importance and ongoing modernization efforts. The level of attention Guam is receiving at the national level reflects the vital role our Port plays in supporting commerce, military readiness, and regional stability throughout the Indo-Pacific. As we continue modernizing our facilities and strengthening our operations, we remain committed to ensuring Guam serves as a reliable gateway for trade, economic development, and national security.

The four-day forum focused on strengthening collaboration among government agencies, international port authorities, financial institutions, and private industry partners to advance commercially viable supply chain solutions, modernize port infrastructure, improve interoperability, and enhance resilience across some of the world's most important trade corridors.

7. **Port Supports Recovery Efforts in the CNMI Through Ongoing Partnership with GPA.** The Port Authority of Guam continues to support regional recovery efforts in the Commonwealth of the Northern Mariana Islands (CNMI) through its partnership with the Guam Power Authority (GPA) and other agencies working to restore critical infrastructure following recent typhoon impacts. On June 4, 2026, GPA shipped an additional 34 concrete utility poles to the CNMI to support ongoing power restoration efforts. According to GPA, a total of 163 concrete poles have now been delivered to assist with rebuilding and strengthening the islands' electrical infrastructure. The shipment was coordinated through a collaborative effort involving GPA, the Port Authority of Guam, the Commonwealth Utilities Corporation (CUC), FEMA, and other partners. Port personnel assisted with the handling and movement of the oversized cargo through the Port of Guam to ensure the materials reached their destination as efficiently as possible. As Guam's only commercial seaport and a key logistics hub for the region, the Port regularly works with local, federal, and regional partners to facilitate the movement of critical cargo during emergencies and recovery operations. We are pleased to support these recovery efforts and assist our neighbors in the CNMI during this important time. The Port Authority of Guam is always ready to do its part when communities in our region need assistance. We thank the Guam Power Authority for its partnership and coordination in helping deliver these critical materials to the CNMI. The Port Authority of Guam remains committed to supporting regional resilience and working alongside its partners to strengthen supply chains and emergency response capabilities throughout the Western Pacific.

8. **DISID-DVR Officials Meet with Port Authority.** The Department of Integrated Services for Individuals with Disabilities (DISID), Division of Vocational Rehabilitation (DVR), continues to expand employment opportunities for individuals with disabilities through its newly established Business Engagement Unit (BEU). On June 10, 2026, Stacy McDonald Flores, Business Engagement Manager, and Jared Leon Guerrero, Business Engagement Program Coordinator, met with me to formally introduce the Business Engagement Unit and discuss opportunities for collaboration between DVR and the Port of Guam. During the meeting, Flores and Leon Guerrero shared the mission and objectives of the BEU, which serves as the primary liaison between DVR and Guam's business community. The unit focuses on building meaningful partnerships with employers to create pathways for competitive integrated employment, work-based learning experiences, training opportunities, and career exploration for individuals with disabilities.

   The discussion highlighted the many career opportunities available at the Port of Guam and the valuable role the Port can play in advancing workforce inclusion throughout the island. Employment opportunities at the Port span a variety of fields, essential positions that contribute to Guam's economic infrastructure. I expressed support for the goals of the Business Engagement Unit and committed to partnering with DVR to explore opportunities for individuals with disabilities. And also shared the Port of Guam's interest in participating in the program and working collaboratively to promote inclusive hiring practices and workforce diversity. In her statement, McDonald Flores said: *"The Port of Guam has long been an essential part of our island's economy and workforce. We are grateful for General Manager Respicio's willingness to partner with DVR and help create opportunities for individuals with disabilities to contribute their talents, skills, and abilities within Guam's maritime industry."*

This partnership reflects the shared commitment of both organizations to fostering an inclusive workforce where individuals of all abilities have access to meaningful employment opportunities and career advancement. The Business Engagement Unit looks forward to working closely with the Port of Guam and other employers throughout the island to strengthen workforce development efforts and promote equal employment opportunities for individuals with disabilities.

9. **Port Welcomes Summer Youth Interns.** The Port Authority of Guam on June 15, 2026 welcomed participants of the 2026 Governor's Summer Youth Employment Program (GSYEP), providing local youth with hands-on work experience and exposure to careers in the maritime, transportation, administration, and public service sectors. The student interns officially began their assignments at the Port on June 15 and will continue working through July 24, 2026, as part of the six-week summer employment program administered by the Department of Youth Affairs. The program provides Guam youth ages 15 to 17 with opportunities to develop workplace skills, gain practical experience, and explore potential career paths. Throughout the summer, the interns will be assigned to various divisions within the Port Authority, where they will assist with administrative duties, customer service functions, special projects, record management, and other operational activities while working alongside Port personnel. The Governor's Summer Youth Employment Program provides young people with an excellent opportunity to gain valuable workplace experience and learn the importance of professionalism, responsibility, and teamwork. We are pleased to welcome these students to the Port and look forward to helping them develop skills that will benefit them throughout their academic and professional careers. The Port Authority of Guam has long supported youth development initiatives that provide educational and workforce opportunities for Guam's future leaders. Through programs such as GSYEP, students gain firsthand knowledge of government operations while building confidence, communication skills, and workplace readiness.

10. **PAG submits Testimony on Proposed Post-Audit Rules.** The Port Authority submitted testimony on the proposed post-audit rules of the Civil Service Commission, recommending the following:

Amendment No. 1: Initial Substantive Screening
The proposed rules provide for review of administrative completeness but do not appear to provide for substantive screening of complaints before a formal investigation begins. Specifically, we did not identify a provision authorizing preliminary review of standing, jurisdiction, timeliness, mootness, legal sufficiency, duplicative filings, or whether the factual basis for the allegations, even if accepted as true, would constitute a violation of law, rule, or regulation. As a result, agencies may be required to devote significant public resources to responding to investigations that could potentially be resolved at the outset through a threshold review process. Equally, the Commission and its staff would expend time and effort unnecessarily. It was recommended to add a preliminary substantive review section that authorizes dismissal or administrative closure before an investigation is initiated, where threshold defects are identified. Such a provision would not diminish the Commission's oversight authority. Rather, it would ensure that investigative resources remain focused on matters presenting legitimate disputes that warrant further review.

New subsections in between current subsections (b) and (c) of § 2412:
"Preliminary Substantive Review.
Upon determining that a complaint is administratively complete, the Executive Director or designated CSC staff shall conduct a preliminary substantive review to determine whether:
(c) the Commission has jurisdiction over the complaint;
(d) the complainant has standing under these rules;

(e) the complaint was timely filed;
(f) the complaint is moot;
(g) the complaint is duplicative of a previously filed or adjudicated complaint;
(h) the factual allegations, if accepted as true, would constitute a violation of applicable law, rule, regulation, or merit system principle.
If any of the foregoing conditions are not satisfied, the Executive Director may recommend administrative dismissal or closure to the Commission without further investigation."
The current subsection (d) in § 2412 would then become subsection (i).

Amendment No. 2: Administrative Cure and Closure
Recent Commission proceedings demonstrate that corrective action and cooperative compliance already occur in practice. In one matter involving the Port Authority of Guam, the Commission accepted Management's corrective action after concluding that the Port's response remedied the identified issue. Because corrective action is already recognized in practice, it was recommended that the rules expressly authorize voluntary corrective action, administrative cure, rescission of a Notice of Alleged Violation, and administrative closure where deficiencies have been corrected to the satisfaction of CSC staff or the Commission. Such a provision would encourage prompt compliance, conserve public resources, and allow the Commission to focus on unresolved matters requiring adjudication.

Proposed New Section §2416.5 – Administrative Cure and Corrective Action
(a) At any time after issuance of a Notice of Alleged Violation and prior to issuance of a Final Decision, the agency may voluntarily implement corrective action to remedy the alleged violation.
(b) Upon review of the agency's corrective action, CSC staff may recommend that the Notice of Alleged Violation be withdrawn if the corrective action satisfactorily resolves the alleged violation.
(c) Upon recommendation of CSC staff and approval of the Commission, the matter may be administratively closed without further proceedings.
(d) Administrative closure under this section shall constitute a final disposition of the complaint unless otherwise ordered by the Commission.
(e) Nothing in this section shall prevent the Commission from continuing its review if it determines that corrective action is incomplete, inadequate, or otherwise insufficient to remedy the alleged violation.

The Commission's proposed rules represent an important and constructive effort to strengthen, modernize, and formalize the post audit process. In particular, the proposed 365-day filing limitation and the Commission's commitment to resolving matters within defined timelines reflect a recognition that oversight must be both effective and efficient. The recommendations offered above are based not only on a review of the proposed rules, but also on practical experience participating in multiple post-audit proceedings before the Commission. Those proceedings demonstrated that the Commission already exercises discretion in determining whether matters warrant further investigation, corrective action, administrative resolution, or no further action. The proposed amendments are intended to better align the rules with those practical realities and provide greater procedural clarity for complainants, employees, agencies, investigators, and the Commission itself.

The recommendations concerning substantive screening, administrative cure and closure, and clarification of procedural outcomes are not intended to limit the Commission's oversight authority. Rather, they are intended to ensure that investigative and adjudicative resources remain focused on matters presenting legitimate disputes, while encouraging prompt compliance, efficient resolution of issues, and greater certainty for all participants in the process.

Ultimately, a strong post audit system should not be measured solely by its ability to identify violations. It should also be measured by its ability to resolve matters fairly, efficiently, consistently, and transparently.

11. **General Manager's Notes for YTD Finances. We are providing the following summary for May 31, 2026:**

- **REVENUES AND CARGO THROUGHPUT:**
  The Port's total operating revenue as of YTD May 2026 (8 months) is $43.2 million, which is 0.6% or $241K lower than the YTD May's revenue budget of $43.5 million but higher by 15% or $5.8 million than last year's revenues as of May 2025 at $37.4 million. The total number of containers handled as of YTD May (8 months) is 58,321, which is higher by 5.7% or 3,127 containers compared to last year's YTD total of 55,194 containers. The total for non-containerized (breakbulk) cargo as of May is 148,200 revenue tons, which is 26.2% or 30,723 revenue tons higher than last year's May numbers at 117,477. Breakbulk cargos from Foreign vessels have increased by 46%, breakbulk cargos from domestic vessels have decreased by 6.4%.

- **OPERATING EXPENSES:**
  The total operating expenses as of May is $41.1 million, which is 2.8%, or $1.2M lower than the YTD May budget of $42.3 million.

- **OVERTIME EXPENSE AND DIRECT LABOR REVENUE:**
  Overtime for all the divisions as of YTD May is $1.2 million , which is 7%, or $78K higher than YTD May overtime budget of $1.1 million.
  The total Direct Labor revenue as of YTD May is $3.2 M, 5.4%, or $99K lower than the FY26 budget of $3.3 M, but 13% or $373K higher than last year's YTD May total of $2.9M.

- **YTD OPERATING REVENUES MINUS YTD EXPENSES:**
  Operating results (Operating revenues minus operating expenses) as of May ended with an operating Income of $2.1M. The Port ended with a net income of $739K after deducting the net of Other Income/Expense of -1.3 M.

- **YTD DEBT SERVICE COVERAGE RATIO (DSCR) STATUS:**
  Based on the May numbers, the DSCR calculation is at 1.65, which is above by 0.37 or 30% as compared to the 1.25 ratio requirement on the 2018 bond indenture agreement.

12. **Status of Ongoing Awarded Grant Activities and Updates on Planned Grant Acquisitions.**

- **MARAD PIDP**

Project: Strengthening Supply Chain with New Port Cranes

  Update: PAG continues to coordinate with MARAD on the grant agreement, NEPA, and federal review requirements. The RAISE21 NEPA EA is expected to supplement the environmental review record for the New Port Cranes Project and support MARAD's NEPA determination, where applicable. MARAD confirmed that Section 106 consultation is not necessary and may be considered complete upon submittal to Guam SHPO. PAG submitted the hard copy to SHPO on May 20, 2026, and is awaiting any SHPO feedback or comments.

- **U.S. Economic Development Administration (EDA).**

Project: Fuel Pipeline Connectivity Report

Status Quo: EDA approved the PAG's request to include the design of additional components (LPG, Mogas Bypass, and Area A Stub-Out) and a biological assessment of Golf Pier. The amended agreement was received on May 2, 2026. PAG staff from the Planning, Engineering & CIP, Legal, and Procurement Divisions are working to complete the procurement for services.

- **MARAD Marine Highway Program.**

Project: Container Yard Various Equipment Acquisition

Update: Requisitions have been entered for the purchase of two 20-ton forklifts and two utility trucks. Procurement is ongoing for the equipment.

- **US DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program.**

Project: Wharves F2 – F6 Repair

Status Quo: Environmental compliance for the RAISE Grant project is progressing as planned, with key consultations completed and the draft Environmental Assessment under review by the federal agency, advancing toward issuance of a Finding of No Significant Impact (FONSI) and Categorical Exclusion (CATEX).

- **Office of Insular Affairs Maintenance Assistance Program (MAP).**

Project: Welding Shop Repair (Phase 1 & 2)

Update: New louvers have been installed in the window near the rear admin parking lot and are pending installation of an exhaust fan. Work has begun on the electrical upgrades.

Project: Generator Maintenance Program

Status Quo: Ongoing third year maintenance contract with Hawthorne Pacific. Three POs were awarded to three different vendors for generator stator rewinding services at $24,000 each.

- **U.S. EPA Clean Ports Program.**

Project: Zero Emissions/Zero Waste Implementation Plan

Update: Project activities under Subtask 16.2: Greenhouse Gas Emission Inventory are progressing as scheduled; current efforts include compiling the GHG emissions inventory and developing the Scenario Analysis Tool. On June 10, 2025, the Port launched Subtask 16.4, focused on Workforce Development.

- **Department of Agriculture (DOAG) Sport Fish Restoration Program.**

Project: Pre-Construction for a Gangway & Dock for Harbor of Refuge

Update: Project scope development is pending with PAG CIP/Engineering. Scope of Services finalization and procurement advancement remain anticipated in Q3/Q4 FY2026.

Project: Demolition and Replacement of Dock A at Hagatna Marina

Update: PAG submitted a proposed phased, priority-based scope to DOAG- DAWR on May 28, 2026, to prioritize immediate life-safety and critical dock repair needs within the available $500,000 subaward funding. PAG is awaiting DOAG-DAWR authorization to proceed. Additional work may be considered if subsequent funding becomes available. Scope refinement and procurement package development remain targeted for Q3/Q4 FY2026.

Project: Agat Marina Southern Walkway Repair

Status Quo: MOA remains pending review and approval; no change since the previous reporting period.

Project: Repair of Merizo Boat Ramp

Update**:** Refinement of the project scope remains active, with ongoing coordination between DOAG and PAG CIP/Engineering. USACE provided initial guidance that a Corps permit is not likely required if the work is limited to structural assessment, engineering review, and report preparation; however, a permit may be required for any work below mean high water or future physical repairs. Next steps include continued scope coordination and confirmation of applicable permit requirements.

Project: Maintenance & Structural Assessment of Malesso Pier

Update: Refinement of the project scope remains active, with ongoing coordination between DOAG and PAG CIP/Engineering. USACE provided initial guidance that a Corps permit is not likely required if the work is limited to structural assessment, engineering review, and report preparation; however, a permit may be required for any work below mean high water or future physical repairs. Next steps include continued scope coordination and confirmation of applicable permit requirements.

- **Department of Agriculture (DOAG) Clean Vessel Act.**

Project: Pumpout Service Assessment for Recreational Boats

Update: Refinement of the project scope is underway for internal review and feedback prior to submission of the procurement package. Finalization of the Scope of Services and procurement advancement are anticipated in Q3/Q4 FY2026.

- **Department of Defense Office of Local Defense Community Cooperation (OLDCC) Defense Community Infrastructure Program (DCIP).**

Project: Joint Region Marianas (JRM) Pier Infrastructure Restoration (F1 Near-Term Emergency Repair)

Status Quo: JRM completed an initial site assessment and requires a site-specific biological survey prior to NEPA determination. PAG is progressing survey coordination; JRM will expedite NEPA review upon receipt of survey results.

- **FEMA Port Security Grant Program (PSGP).**

Projects:	Implementation of an Active Directory
	Replacement of Aging SonicWall 4600 Firewall and 3-Year Subscription of Intrusion Detection System Monitoring
	Security Barrier System
	Modular Floating Dock System

Status Quo: FEMA points of contact have been impacted by the partial federal funding hiatus for the DHS. Planning has received automatic replies acknowledging emails and advising that because DHS is in a funding lapse, federal staff will only be available to support the following grant programs: Operation Stonegarden Grant Program, FIFA World Cup Grant Program and Countering-Unmanned Aircraft Systems Grant Program. Any amendments and payment requests that require federal staff action will not be processed during the lapse except for the programs outlined above. Before the funding lapse, Planning was still awaiting guidance on requirements to lift the funding hold on the 2025 award.

2026 New Proposed Grant Program Opportunities:

- **MARAD Port Infrastructure Development Program (PIDP).**

Project: Crane Rail Support

Update: Planning submitted the grant proposal to US DOT on June 1, 2026.

- **USDOT Better Utilizing Investments to Leverage Development (BUILD).**

Project: Fuel Connectivity Construction

Status Quo: Planning submitted the grant proposal to US DOT on February 24, 2026.

- **EDA Disaster Supplemental Program.**

Projects:	Dry Dock Feasibility Study
	Deep Draft Wharf Feasibility Study
	Wharf F3 Repair
	Golf Pier Repair

Status Quo: PAG intends to submit a grant proposal.

- **Office of Local Defense Community Cooperation (OLDCC) Defense Community Infrastructure Program (DCIP).**

Project: Golf Pier Repair

Status Quo: PAG intends to submit a grant proposal upon release of NOFO Federal Agency.

- **Office of Insular Affairs (OIA) – MAP.**

Project: Crane Mechanic Shop and Maintenance Officer Repair

Update: Planning submitted the grant proposal to OIA on June 3, 2026.

- **Office of Insular Affairs (OIA) – MAP.**

Project: Generator Maintenance

  Update: Planning submitted the grant proposal to OIA on June 3, 2026.

- **Office of Insular Affairs (OIA) – TAP**

Project: PAG Workforce Capacity Enhancement Initiative

  Update: Planning submitted the grant proposal to OIA on June 5, 2026.

- **US Department of Housing and Urban Development (HUD)/Proposed Hazard Mitigation Projects**

  Projects:
  1. Shore power pit hardening
  2. Installation of light fixtures, tiles and shutters
  3. Demolition and removal of fuel tanks
  4. Seawall slope protection measures
  5. F2-F6 improvements
  6. Horizon Building hardening
  7. F3 wharf project
  8. Golf Pier
  9. Removal and disposal of fallen debris along wharves F2-F6
  10. Microgrid feasibility study

  Update: Planning submitted ten (10) project proposals onto the GHURA CDBG Portal on June 2, 2026.

13. **Port Revenue Bonds Project Status.** As of June 15, 2026 the attachment provides information on the status of the revenue bond projects, which include the rehabilitation of the hotel wharf, repairs and improvements to the golf pier, waterline replacement/relocation, upgrades to the EQMR building, repairs and upgrades to warehouse one, construction of a new admin annex building, and other priority projects.

V. OLD BUSINESS

There were no items discussed under old business.

VI. NEW BUSINESS

1. **Adoption of Board Resolution No. 2026-05 Second Defeasance Bond.** The General Manager reported that back in June 5, 2025, the Board adopted Resolution No. 2025-20 authorizing a cash defeasance transaction that strengthened the Port's debt service coverage position, reduced future debt service obligations, and enhanced the Port's overall financial profile. At that time, the Port's projected financial position did not appear to meet its debt service ratio of 1.25%. He stated that the May 2026 financials now reflect a 1.6% debt service ratio coverage, and that ongoing discussions with Guam Economic Development Agency, including its Bond Counsel and Financial Advisors, indicate confidence in the Port's financial condition. He added that implementing a second cash defeasance would further reinforce the Port's financial stability. If approved, the transaction is planned for July 2026.

At this time, Director Valencia-Ovalles made a motion to approve Board Resolution No. 2026-05 relative to authorizing a second cash defeasance transaction of certain outstanding 2018 revenue bond obligations to strengthen the Port's debt service coverage position, preserve financial flexibility, and preserve future infrastructure financing, seconded by the Vice Chairperson. Discussion followed, and the General Manager further stated that the Port's historical DSCR performance reflects continued financial discipline and compliance with its bond obligations, with annual DSCR results of 2.29 in FY 2020, 1.35 in FY 2021, 3.66 in FY 2022, 2.29 in FY 2023, 1.79 in FY 2024, and 1.78 in FY 2025. He said the projected debt service ratio currently for June 2026 is trending at 1.7%. He clarified that the bond indenture requires a DSCR of 1.25%, while Moody's require 1.5% for the bond rating purposes. The Port therefore strives to maintain at least 1.5%.

The Vice Chairperson asked how would the tariff adjustment petition currently before the Public Utilities Commission help in terms of the Port's financial numbers and assist in the DSCR requirement. The General Manager replied that it would help significantly, noting that the Port audits consistently show operating losses year-after-year and that the Port's labor charge-out rates are still based on 2020 numbers. He explained that the tariff adjustment petition seeks for PUC to recognize the cost structure and financial balance emphasizing that the labor charge out rates are based on 2020 numbers, and it is now 2026. Given that, the Chairperson commented that this means the Port is absorbing fixed cost. The Vice Chairperson agreed, and stated that this is the type of information to be shared with the island community. The Vice Chairperson also expressed confidence knowing that the discussions leading to this resolution assisting the Port Authority were made with Guam Economic Development Authority, GEDA's Bond Counsel and Financial Advisors, ensuring that precautionary measures and transparency were in place throughout the process.

With no further discussion, the motion on the floor to approve Board Resolution No. 2026-05 relative to authorizing a second cash defeasance transaction of certain outstanding 2018 revenue bond obligations to strengthen the Port's debt service coverage position, preserve financial flexibility, and preserve future infrastructure financing – was put to a vote and was unanimously approved.

VII. ADJOURNMENT

There being no further business to discuss, it was moved by Director Valencia-Ovalles and seconded by the Vice Chairperson to adjourn the meeting at 5:15 p.m. The motion was unanimously passed.

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Fe R. Valencia-Ovalles, Board Secretary
Board of Directors

APPROVED BY:

____
Dorothy P. Harris, Chairperson
Board of Directors

General Manager's Report for Board of Directors
August 31, 2026

1. **Port Strong Through the Storm.** When Super Typhoon Bavi threatened Guam in early July, the Port Authority of Guam was not simply preparing its facilities for severe weather. It was safeguarding the island's only commercial seaport and the uninterrupted flow of food, fuel, medicine, construction materials and other essential commodities relied upon by Guam and the surrounding region. The Port's response began before the first damaging winds arrived and continued well beyond the storm's passage. Guided by the Port's Typhoon Annex, employees carried out an organized progression of preparedness, assessment and recovery actions while coordinating closely with the U.S. Coast Guard Captain of the Port, terminal operators, vessel agents, tenants and other maritime stakeholders. Over the following weeks, the Port restored landside cargo activity, prepared for the reopening of Apra Harbor, returned its ship-to-shore gantry cranes to service, tracked the movement of commodities into the community and expanded its capabilities to support recovery efforts beyond Guam.

➢ **Preparing Guam's Lifeline**

The Port activated its storm readiness procedures on July 2 as Typhoon Bavi approached the Mariana Islands. Port employees began securing Gantry Cranes 4, 5 and 6, lowering container stacks where necessary, protecting refrigerated and hazardous cargo, securing facilities and equipment, and reviewing operational readiness across every division. General Manager Rory J. Respicio and Harbor Master Chris Flores participated in a U.S. Coast Guard Heavy Weather Briefing with maritime stakeholders to review the storm's projected track and coordinate the maritime community's response. Following the briefing, Port division heads met to confirm that each division was carrying out its responsibilities under the Port's Typhoon Annex. That process continued throughout the preparation period as terminal operators, vessel agents, tenants and Port personnel worked to secure the waterfront and position the facility for recovery. The Port initially remained operational under Port Heavy Weather Condition WHISKEY. Later that same day, the Captain of the Port advanced Apra Harbor to Condition X-RAY, signaling that tropical storm-force winds were expected within approximately 48 hours.

Under X-RAY, commercial operators prepared to terminate cargo operations, hazardous materials and potential flying debris were secured, and larger vessels prepared to depart the harbor. By July 4, all commercial cargo and vessel operations had ceased, no vessels remained in port and the Port had transitioned into full storm readiness in anticipation of Condition ZULU. Every action taken before landfall served two purposes: protecting employees and critical infrastructure during the storm and reducing the time required to safely restore operations afterward.

➢ **Recovery Began Before Personnel Returned**

Route 11, the public accessway serving the Port and surrounding fuel facilities, was obstructed following the storm. At approximately 5 a.m. on July 7, Black Construction assisted the

Department of Public Works by clearing the roadway, restoring access for Port personnel, fuel operators and recovery teams. With the roadway passable, Port division heads and designated personnel were called in to inspect their assigned areas and report damage, hazards and operational concerns in accordance with the Typhoon Annex. Division heads evaluated their respective facilities, infrastructure, equipment and workspaces, documenting storm damage, identifying hazards and reporting operational status through the Port's emergency response structure. These assessments were necessary to determine which activities could resume safely, which areas required additional work and what resources would be needed to restore full operations. The Port's recovery was never dependent on a single reopening decision. It involved two related but separate areas of operation: landside gatehouse activity and waterside vessel operations. The gatehouse could resume once the terminal was safe for customers, employees and cargo movement. Vessel operations, however, remained dependent upon the Captain of the Port's determination that Apra Harbor and its navigational approaches were safe for commercial traffic.

- **Gatehouse Operations Reopened First**

On July 8, the Port resumed gatehouse operations, beginning the first phase of restoring the movement of cargo through the terminal. The reopening allowed import containers, vehicles, general cargo and heavy equipment already on Port property to begin moving into the community even while Apra Harbor remained closed to commercial vessel traffic. This distinction became an important part of the Port's public messaging throughout the recovery. The resumption of gatehouse operations did not mean that cargo vessels had resumed entering and departing the harbor. It meant that the Port had completed sufficient landside assessments and recovery work to safely begin releasing cargo that was already available within the terminal.

From that point forward, the Port began tracking and reporting the volume of commodities released into the community. The data provided a measurable account of the Port's recovery and demonstrated how quickly cargo was moving from the terminal to stores, businesses, construction sites, fuel facilities and families throughout Guam. As demand continued, the Port expanded gatehouse availability beyond its normal operating schedule. Additional gatehouse openings were provided on weekends and days the gatehouse would not ordinarily operate providing businesses and customers additional opportunities to retrieve cargo and help reduce the post-storm backlog while supporting the island's wider recovery.

- **Preparing for the Harbor's Reopening**

While gatehouse operations were underway, the Port's recovery continued on a second, equally important front: preparing for the return of commercial vessel operations. Although landside cargo movement had resumed, Apra Harbor remained closed to commercial traffic pending the U.S. Coast Guard Captain of the Port's determination that the harbor and its navigational approaches were safe for navigation following Super Typhoon Bavi. Throughout this period, recovery continued along two parallel tracks. The first was restoring gatehouse operations to move cargo already within the terminal into the community. The second was preparing the waterfront to receive vessels the moment the harbor was reopened.

The Port continued actively assessing the waterfront and preparing for the return of commercial vessels. Berths, cargo-handling equipment, utility systems, terminal areas and operational resources were evaluated so vessel operations could resume as soon as the harbor was cleared. On July 9, the U.S. Coast Guard Captain of the Port reopened Apra Harbor to commercial vessel traffic after completing waterway assessments and determining the harbor was safe for navigation. Because preparations had continued throughout the closure, the Port was ready to immediately transition into the next phase of recovery, welcoming vessels back to Guam and restoring waterside cargo operations. The reopening of Apra Harbor marked a significant milestone in Guam's recovery, reconnecting the island to its maritime supply chain while validating the close coordination between the Port Authority of Guam and the U.S. Coast Guard throughout the recovery process.

- **Restoring Waterfront Cargo Operations**

Even while Apra Harbor remained closed to commercial vessel traffic, Port maintenance personnel were actively assessing, drying and testing Gantry Cranes 4, 5 and 6 in anticipation of the harbor's reopening. Those efforts ensured the Port was prepared to resume vessel operations the moment the harbor reopened. On July 9, Gantry Crane 6 was returned to operational service at 1:00 p.m., ahead of the U.S. Coast Guard Captain of the Port's reopening of Apra Harbor to commercial vessel traffic at 2:00 p.m. that same day. Later that evening, at 7:20 p.m., Gantry Crane 5 was also returned to service, further expanding the Port's cargo-handling capability. The sequence was significant. While the Port did not control when the harbor could reopen, it had proactively prepared its terminal, equipment and workforce in anticipation of that decision. As a result, once the Coast Guard determined the waterways were safe for navigation, the Port was immediately positioned to resume vessel operations and begin restoring Guam's maritime supply chain. Waterfront operations did not rely solely on the Port's gantry cranes. Arriving vessels also used their own onboard cargo-handling equipment, known as ships' gear, to discharge cargo. This allowed the Port to keep commodities moving despite temporary limitations on its ship-to-shore crane capacity.

On July 13, Gantry Crane 6 was taken out of service after experiencing a hoist motor issue. Vessel operations continued using Gantry Crane 5 and ships' gear while maintenance personnel worked to restore additional crane capacity. Gantry Crane 4 was returned to service on July 16, providing the Port with two operational ship-to-shore cranes and increasing the pace and efficiency of waterfront cargo operations. The phased return of the gantry cranes reflected the Port's ability to adapt throughout the recovery. By maximizing available equipment and utilizing ships' gear, the Port continued to restore waterfront cargo operations without losing sight of its primary mission, keeping essential commodities moving to Guam and the region.

- **Restoring the Flow of Commerce**

As waterfront operations resumed, Port communications continued documenting and reporting the recovery by tracking the movement of cargo through the terminal. Regular operational updates provided data on imports, exports, transshipment cargo, refrigerated containers, vehicles, heavy equipment and other commodities, offering the public and maritime stakeholders a transparent measure of the Port’s continued progress. The reporting illustrated the full cycle of recovery taking shape. Essential goods were reaching businesses and families across Guam while new cargo continued arriving to replenish the island’s supply chain. The return of transshipment cargo was equally significant, reflecting Guam’s continued role in supporting the movement of cargo throughout the region. As maintenance work continued, the Port steadily rebuilt its cargo-handling capacity while maintaining the uninterrupted movement of essential commodities to Guam and the region, demonstrating that recovery was not marked by a single milestone, but by sustained operational progress each day.

➢ **Expanding Operations to Support the Region**

As recovery efforts continued and cargo operations stabilized at the main terminal, the Port also looked beyond its traditional operations to identify additional ways it could support Guam and the wider region. Working in coordination with the U.S. Coast Guard Captain of the Port and Black Construction, the Port expanded cargo-handling operations to H-Wharf, creating additional operational flexibility while maintaining uninterrupted commercial activity at the main terminal. The expanded capability allowed the Port to safely accommodate specialized vessel operations that supported critical recovery efforts without impacting the ongoing movement of commercial cargo. The first operation facilitated the return of Guam Power Authority bucket trucks from Saipan. The specialized equipment had been deployed to assist with power restoration efforts in the Commonwealth of the Northern Mariana Islands following Super Typhoon Sinlaku in April and was needed back on Guam to support the island’s continuing recovery. Through the temporary H-Wharf operation, the bucket trucks were safely offloaded and returned to service, strengthening Guam’s electrical restoration efforts.

The successful operation demonstrated the effectiveness of the temporary cargo-handling capability and established a process that would soon support an even greater regional need. Just days later, the Port again partnered with Black Construction and Mobil to facilitate the loading of fuel aboard the MV San Jose for transport to Rota, the island hardest hit by Super Typhoon Bavi. Utilizing Black Construction’s mobile crane and crane operator at the H-Wharf facility, the operation safely loaded critical fuel supplies while commercial cargo operations continued uninterrupted at the Port’s main terminal. Together, these operations demonstrated the Port’s ability to adapt its operations, leverage strong public-private partnerships and support the recovery of neighboring island communities without disrupting Guam’s commercial supply chain. By expanding operations beyond its primary terminal, the Port reinforced its role as the region’s lifeline, keeping commerce moving while delivering critical resources to support recovery.

➢ **Port Strong**

Super Typhoon Bavi tested every aspect of the Port Authority of Guam’s emergency preparedness, response and recovery capabilities. Guided by the Port’s Typhoon Annex, Port employees remained focused on a single mission: protecting Guam’s maritime gateway while restoring the uninterrupted movement of commerce as safely and efficiently as possible. Through disciplined planning, coordinated execution and strong partnerships, employees adapted to changing conditions, overcame operational challenges and advanced recovery one milestone at a time. Behind the scenes, divisions also came together to support one another, organizing in-house meals that ensured employees working extended hours remained fed and focused as recovery efforts continued around the clock. The response to Super Typhoon Bavi reinforced what the Port Authority of Guam represents, not only to Guam, but to the islands that depend on it. The Port Authority of Guam serves as the region's lifeline, connecting communities to the essential goods and resources that sustain everyday life. Whether restoring cargo operations, returning critical equipment to service, supporting neighboring islands in their recovery or simply taking care of one another during long days of emergency operations, the Port Strong workforce demonstrated that resilience is measured not only by how quickly operations resume, but by an unwavering commitment to serve Guam and the region when they need it most.

2. **Port Awarded $12.85 Million U.S. DOT BUILD Grant to Strengthen Fuel Infrastructure.** The Port Authority of Guam has been awarded a $12.85 million U.S. Department of Transportation BUILD Grant to strengthen Guam's critical fuel infrastructure through a series of strategic improvements, including the construction of three 10-inch fuel pipelines connecting the Port's F1 and Golf fuel piers. The project will strengthen the resilience of Guam's commercial and military fuel receiving infrastructure, enhance the island's energy security, and improve operational flexibility during emergencies and planned infrastructure rehabilitation. The investment also reinforces Guam's strategic role in the Indo-Pacific by strengthening critical infrastructure that supports both civilian commerce and national defense amid an increasingly complex geopolitical environment. The project addresses a longstanding infrastructure gap within Guam's fuel infrastructure. Today, F1 serves as Guam's only operational commercial and military fuel receiving facility, making the continued reliability of its infrastructure essential to the island's energy security.

   Golf Pier is currently inoperable following Super Typhoon Mawar. Once restored to service, the new pipeline connection will enable fuel transfer operations between the F1 and Golf fuel piers, creating the operational flexibility and redundancy needed to strengthen Guam's long-term energy security and the resilience of its critical fuel infrastructure. As part of its long-term modernization strategy, the Port continues to pursue additional federal and other funding opportunities to rehabilitate Golf Pier and restore its operational capability. This award builds upon the federal government's previous $4.8 million investment through the Office of Local Defense Community Cooperation (OLDCC) for near-term structural and safety improvements to stabilize F1 Pier, extend its operational life, and maintain its critical functionality while the Port pursues a long-term replacement strategy. Together, these federal investments demonstrate a coordinated commitment to strengthening Guam's critical port infrastructure by preserving the operational capability of F1 while laying the foundation for Golf Pier's eventual return to service as part of a more resilient and interconnected fuel receiving system. Engineering assessments have identified significant structural deterioration at F1 Pier, further underscoring the importance of creating redundancy between Guam's fuel receiving facilities. Once completed, these investments will position the Port to better support commercial and military fuel transfer operations during future rehabilitation projects, emergencies, and other unforeseen disruptions.

"This award is another example of what can be accomplished when Guam and the federal government work together to invest in our future," said Governor Lou Leon Guerrero. "From modernizing our port facilities to strengthening the infrastructure that supports our economy, emergency preparedness, and national defense, these investments are helping build a more resilient Guam. At a time of an increasingly complex geopolitical environment across the Indo-Pacific, investments in Guam's critical infrastructure are investments in our island's security, resilience, and strategic importance. I congratulate the Port Authority of Guam on securing this significant federal investment and thank our federal partners or their continued confidence in Guam's future."

This award represents another significant federal investment in Guam's critical port infrastructure. While the Port Authority is not in the fuel business, we are responsible for maintaining the maritime infrastructure that supports Guam's commercial and military fuel receiving capability. This project strengthens that infrastructure by creating the operational flexibility and redundancy needed to support uninterrupted fuel transfer operations during emergencies, planned rehabilitation, and future growth. Together with the federal investment to stabilize F1 Pier, this project represents a historic commitment to modernizing Guam's critical port infrastructure. As we modernize our facilities, we have also been modernizing the policies, partnerships, agreements, and governance that support them. Modern infrastructure requires modern governance. That is what responsible stewardship requires.

3. **Port GM Highlights Infrastructure Priorities at SAME Guam Industry Forum.** The Port Authority of Guam joined Guam's infrastructure leaders at the 2026 Society of American Military Engineers (SAME) Guam Industry Forum, where representatives from the Guam Power Authority, Guam Waterworks Authority, Department of Public Works, Guam International Airport Authority, and the Port Authority of Guam participated in a panel discussion on the island's growing infrastructure needs. The discussion focused on how Guam's utility, transportation, and public infrastructure systems are preparing to meet increasing demand while improving long-term reliability, resilience, and capacity to support the island's continued economic growth and national security.

   The Port's presentation highlighted its critical role as Guam's only commercial deep-water seaport and the primary gateway for approximately 90 percent of all goods entering the island. Emphasis was placed on the Port's continued modernization is essential not only to supporting Guam's commercial supply chain, but also to sustaining the region's growing strategic importance, with more than 30 percent of cargo handled at the Port directly supporting military operations. Further shared was that the Port has successfully secured federal funding for three new ship-to-shore gantry cranes, representing a significant milestone in the Port's modernization efforts. However, the cranes are only one component of the broader infrastructure investments necessary to maximize operational readiness. Future priorities include improvements to the crane rail system and tie-down infrastructure, wharf rehabilitation, dredging, cybersecurity enhancements, fuel infrastructure modernization, and other critical capital improvements that will support both commercial operations and national defense. These priorities will continue to be advanced during upcoming discussions with federal partners.

Discussion proceeded on the importance of maintaining momentum once funding becomes available. Drawing on lessons learned during the implementation of major federal recovery programs, he noted that streamlined procurement and project delivery processes can significantly accelerate the completion of critical infrastructure projects while maintaining transparency and accountability. Emphasis was made on applying similar efficiencies to readiness-critical infrastructure would help ensure investments are delivered when they are needed most. Every investment made in the Port strengthens Guam's ability to serve our community, support our regional partners, and fulfill our role in the Indo-Pacific. As our strategic importance continues to grow, it's critical that we not only secure the resources needed to modernize our facilities, but also have the ability to efficiently deliver those projects for the benefit of Guam and the nation.

The forum reinforced the importance of coordinated infrastructure planning among Guam's public agencies and highlighted the shared commitment to building resilient systems that will support the island's future growth, economic prosperity, and national security.

4. **Opening Doors to Future Opportunities**. The Port Authority of Guam joined the Department of Integrated Services for Individuals with Disabilities (DISID), Division of Vocational Rehabilitation (DVR), on July 17 at the GCA Trades Academy in Tiyan for the inaugural Pre-Employment Transition Services (Pre-ETS) Summer Camp Career Fair, connecting with students as they explored future career opportunities. Representatives from the Port's Human Resources Division, Transportation, Stevedoring, Terminal, and Marketing participated in one-on-one conversations with students, offering a firsthand look at the wide range of careers that support Guam's only commercial seaport.

   The Port's Human Resources summer intern also participated, sharing a unique perspective on gaining real-world experience and contributing to the Port's mission. Rather than formal presentations, the event encouraged personal conversations between Port employees and students, allowing participants to ask questions, learn about day-to-day responsibilities, and gain a better understanding of the skills and career pathways available across the Port.

   From waterfront operations to business support functions, employees highlighted the many ways individuals from different educational and professional backgrounds can build meaningful careers in public service while encouraging students to see themselves as future members of Guam's workforce, including one day becoming part of the Port Authority of Guam team.

   Investing in our future workforce begins with creating opportunities for every member of our community to see what's possible. Meeting these students and sharing what we do each day was a reminder that talent comes in many forms and that meaningful careers are built on dedication, curiosity, and a willingness to learn. We hope these conversations helped students see that the Port is a place where they can build a career, contribute to their community, and achieve their goals.

   The Port Authority of Guam appreciates DISID and the Division of Vocational Rehabilitation for the opportunity to participate in this meaningful event and remains committed to supporting workforce development initiatives that empower Guam's next generation of professionals. By connecting students with Port employees and demonstrating the diverse opportunities available within the organization, the Port continues to invest not only in Guam's workforce, but also in the potential of the people who will help shape the island's future.

5. **Coordinated Response Ensures Safe Resolution of Suspected Ordnance Incident.** The Port Authority of Guam successfully coordinated a multi-agency response after a suspected piece of ordnance was discovered in the Port's F-1 area on July 8. Working alongside Joint Region Marianas (JRM) Explosive Ordnance Disposal (EOD), the Guam Fire Department, the U.S. Coast Guard, Guam Homeland Security/Office of Civil Defense, and numerous local and private sector partners, the Port helped ensure the incident was resolved safely without injury or disruption to Port operations.

   Upon discovery of the suspected ordnance, the Port immediately activated its emergency response protocols, establishing a 710-foot safety perimeter while coordinating operational support for EOD personnel. Assistance from the Department of Public Works and Black Construction Corporation provided the sand and backfill materials required for mitigation procedures, while coordination with Tristar Terminals Guam, South Pacific Petroleum Corporation, and IP&E helped maintain the safety of surrounding operations. The Harbor Master's Office also issued a Broadcast Notice to Mariners advising vessels operating within Apra Harbor of the ongoing response activities.

   At 1:43 p.m., JRM EOD completed its operation and issued the all clear, allowing the safety perimeter to be lifted and normal access to the area to resume. The incident concluded safely with no injuries and no impact to the Port's continuing operations. This incident demonstrated the importance of preparation, communication, and strong partnerships. From our Port Police Division, Commercial Division, and Harbor Master's Office to our federal, local, and private sector partners, everyone worked together with a shared commitment to protecting our employees, tenants, customers, and the public. We are grateful for the professionalism and teamwork that allowed this situation to be resolved safely and efficiently. The successful response reflects the Port Authority of Guam's ongoing commitment to emergency preparedness and its ability to coordinate seamlessly with partner agencies to safeguard critical infrastructure while maintaining continuity of operations.

6. **Moody's Affirms Baa2 Rating and Stable Outlook for the Port.** The Port Authority of Guam announced today that Moody's Ratings has affirmed the Port's Baa2 senior lien revenue bond rating with a stable outlook, marking the sixth consecutive year the international credit rating agency has reaffirmed the Port's creditworthiness. The affirmation applies to approximately $54.3 million in outstanding revenue bond debt. Moody's cited the Port's essential role as Guam's only commercial seaport, its low debt burden, strong liquidity, and prudent financial management in reaffirming the rating.

The agency also recognized the Port's ongoing efforts to align revenues with rising operating costs through its pending tariff adjustment while maintaining stable financial operations. Moody's projects the Port will maintain a stable financial position through Fiscal Year 2026 and expects financial metrics to continue improving as debt declines and additional revenue measures are implemented, positioning the Port for continued financial strength.

"Lieutenant Governor Josh Tenorio and I congratulate the Port Authority of Guam on this important achievement," said Governor Lou Leon Guerrero. "Moody's reaffirmation reflects the disciplined governance, responsible leadership, and sound financial management that have strengthened one of Guam's most important public institutions. The Port plays a vital role in our economy, our supply chain, and the national security interests of the United States. We are proud of the Board of Directors, General Manager Rory J. Respicio, management team, and employees whose commitment continues to strengthen the Port Authority of Guam."

Receiving this affirmation from Moody's for the sixth consecutive year demonstrates the strength of the Port's financial management and the confidence placed in the Port's governance and management. Even as inflationary pressures and changing cargo volumes have challenged ports around the world, we have remained disciplined in protecting the Port's financial position while continuing to invest in critical infrastructure, terminal handling equipment, and the dedicated employees who keep Guam's supply chain moving to and from our island and throughout the region. Strong governance, disciplined management, and deliberate immediate and long-term planning have strengthened the Port's readiness to support Guam's economic security, reinforce regional supply chain resilience, and fulfill our growing role as a strategic gateway in support of our nation's security interests in the Indo-Pacific. Moody's noted that the Port remains critical to Guam's economy, handling more than 90 percent of the island's imported goods. The report also highlighted the Port's healthy liquidity, declining debt profile and expectation that the existing tariff framework will support long-term financial sustainability as revenue adjustments move forward.

7. **Port Takes Additional Steps to Address Cargo Equipment Availability and Operational Backlog (August 18, 2026).** The Port Authority of Guam is taking additional steps to strengthen cargo handling equipment availability, address the current operational backlog, and minimize impacts on Port customers while maintaining the safe and reliable movement of cargo through Guam's only commercial seaport. The Port continues to operate in a recovery environment following Super Typhoon Bavi, including Gantry Crane 6 remaining out of service. At the same time, the availability of chassis, which are provided by the ocean carriers rather than the Port, has affected the traditional movement of containers from the terminal. When sufficient carrier provided chassis are available, containers can be discharged directly onto chassis for movement from the terminal. Reduced chassis availability changes that operating methodology and requires greater use of the Port's top picks to lift, stage, reposition, and retrieve containers. That increased reliance on top picks has occurred at the same time the Port experienced a significant change in equipment availability. The Port went from four available top picks to zero available units. By the next workday, Equipment Maintenance had released two top picks back into operation, and the Port expects another top pick to be released

as repair work progresses. Eight additional top picks are currently out of service for various mechanical and maintenance reasons. The Port is actively evaluating and working on these units to determine what can be returned to service and in what timeframe.

The combination of Gantry Crane 6 remaining down, limited carrier provided chassis, increased reliance on top picks, reduced top pick availability, and the resulting cargo backlog has created an unusual convergence of operational pressures that the Port is actively working to address. We are dealing with several operational pressures at the same time, but our response has been all hands-on deck. Our crane mechanics and Equipment Maintenance personnel have been working tirelessly since Super Typhoon Bavi, and we are bringing in additional technical support to help restore more equipment to service. At the same time, we are putting better controls in place so we have a clear picture of why equipment is unavailable and what we need to do to keep cargo moving. We recognize the impact these delays have on our customers, which is also why we are providing extensions of free days when a Port related delay can be documented. Our focus is on working through the backlog safely, restoring capacity, and keeping Guam's cargo moving.

- **Additional Repair Resources Beginning Tomorrow**

Beginning August 19, the Port will bring in additional technical support to assist with the diagnosis and repair of one of its container handling units. The work will supplement the Port's internal Equipment Maintenance resources and is intended to return additional cargo handling equipment to service as quickly as practicable. The Port has also continued using its crane mechanics to assist with the repair of other cargo handling equipment whenever operationally possible. The Port currently has only three crane mechanics assigned per shift. These mechanics are responsible for supporting the Port's gantry cranes, including the continuing work associated with Gantry Crane 6, while also assisting Equipment Maintenance with other critical cargo handling equipment when circumstances allow. The Port's crane mechanics have been working tirelessly since Super Typhoon Bavi to maintain and restore critical equipment needed to sustain cargo operations throughout the recovery period. Their work has continued while the Port manages Gantry Crane 6 being out of service and the increased demands now being placed on other cargo handling equipment. The same effort is occurring across the Port. Operations, Equipment Maintenance, crane mechanics, and other Port personnel continue to work together in an all-hands-on deck effort to restore equipment availability, support cargo movement, and reduce the backlog as quickly and safely as possible.

- **Additional Operational Controls**

The Port has implemented interim measures to provide management with greater visibility into equipment condition, equipment availability, qualified operator availability, and the Port's overall ability to place available equipment into operation. Under the interim procedures, equipment operators who experience or identify an operational or mechanical problem are required to report the condition directly to Equipment Maintenance and, when safe and reasonably possible, demonstrate the condition they experienced. Equipment Maintenance will document its findings, including whether the reported condition is confirmed, cannot be reproduced, or requires further diagnosis or evaluation. This will create a common record between Operations and Equipment Maintenance and help identify recurring mechanical issues, operating concerns, and opportunities to reduce preventable equipment downtime. For the next 30 days, the Port will also track the daily availability of qualified cargo handling equipment operators alongside the number and type of equipment available for operation. This will provide management with a clearer picture of daily operational capacity and help distinguish between equipment that is unavailable because of a mechanical condition and equipment that is mechanically available but cannot be placed into service because a qualified operator is not available.

➢ **Extension of Free Days for Documented Delays**

The Port is also providing an extension of free days for containers affected by the current operational backlog. Additional free days may be granted on a container-by-container basis when documentation establishes that a customer was unable to retrieve or process a container because of Port related operational conditions. The extension of free days is not automatic or a blanket extension. Each request will be reviewed based on the circumstances and supporting documentation associated with the individual container. The intent is to ensure customers are not assessed charges for additional days when the delay can be documented as attributable to Port operations, while maintaining appropriate accountability and controls. Safety remains the Port's priority. Nothing in these measures requires an employee to operate equipment that the employee reasonably believes presents a safety concern. The Port recognizes the impact that operational delays can have on carriers, truckers, businesses, and ultimately consumers. The current situation reflects several operational constraints occurring at the same time. The Port is responding on multiple fronts by restoring equipment to service, bringing in additional technical assistance, deploying its limited technical resources where they can have the greatest operational impact, strengthening equipment reporting and accountability, monitoring operator availability, and providing extensions of free days for documented Port related delays. The Port will continue these efforts until equipment availability improves and the current cargo backlog is brought under control.

8. **Port Restores Two Top Lifters, Announces Saturday Open Gatehouse (August 21, 2026).** The Port Authority of Guam has restored two top lifters as crews continue working to bring additional units online and increase equipment availability. To provide further relief to the island's trucking community and Port customers, the Port will open the Gatehouse tomorrow, Saturday, August 22, 2026, giving truckers the opportunity to pick up containers and move cargo out of the terminal and into the community. The Port has a total of ten top lifters. Two are currently online and crews are actively working on three additional units. Equipment Maintenance crews continue to diagnose and repair the Port's offline units with the goal of returning additional top lifters to service as quickly and safely as possible. The Port has also procured LMS Services to assist with the diagnosis and repair of offline top lifters. LMS began working with the Port on Wednesday and will spend the next week working alongside Port Equipment Maintenance personnel restoring additional units. We are making progress, but we know there is still work to do. Our crews are working every day to get more equipment back online, and bringing in LMS adds mechanical resources to that effort. Our focus is increasing our capacity and keeping cargo moving.

- **Gantry Crane 6 Returned to Service**

Gantry Crane 6 was returned to service on Monday, August 17, 2026, bringing all three of the Port’s gantry cranes online to support vessel loading and unloading. With all three gantry cranes in service, crews are focusing repair efforts on top lifters and other cargo handling equipment to increase capacity and improve cargo movement.

- **Open Gatehouse Saturday**

The Port will open the Gatehouse tomorrow, Saturday, August 22, 2026, giving truckers and Port customers additional access to retrieve containers and move cargo into the community. No Special Service Request (SSR) will be required for Saturday’s Open Gatehouse. Opening the Gatehouse on Saturday is about giving our truckers another opportunity to get containers out of the Port and keep goods moving into our community. We know the impact these delays have on our industry partners, businesses and families, and we will continue doing everything we can to restore equipment and keep cargo moving. The Port will continue working to restore additional top lifters and will provide updates as more equipment is returned to service.

9. **Port Provides Weekly Operations Outlook as Cargo Recovery Efforts Continue (August 25, 2026).** The Port Authority of Guam is providing customers, truckers and industry partners with an operational outlook for the week as the Port continues working through cargo movement demands, restoring additional equipment to service and increasing workforce capacity. The Port is preparing for a concentrated vessel schedule this week while continuing efforts to move containers out of the terminal and address equipment availability. Customers and trucking partners should anticipate the possibility of delays as available equipment and personnel are deployed to support vessel operations, container yard activity and cargo deliveries throughout the week. The Port began preparing for this week’s activity by opening the Gatehouse on Saturday, August 22, 2026, providing an additional day for truckers to retrieve containers and move cargo out of the terminal and into the community. The additional Saturday operation was provided at no additional cost to customers. The Port waived the requirement for a Special Service Request (SSR), which would normally be required for special cargo services outside regular operating hours. A total of 171 units were processed during Saturday’s Open Gatehouse operations. This included 94 gate imports and one reefer.

   The Port also received 50 empty containers, one export container and 13 chassis, while delivering one empty container for stuffing and 11 chassis. The Saturday opening provided customers with an additional opportunity to retrieve cargo and move containers out of the terminal. Cargo movement continued on Monday, August 24, 2026, with the Port releasing 124 containers, 202 bundles of rebar, 35 units of general cargo, one piece of heavy equipment and five automobiles from the terminal. Continued cargo movement through the weekend and into Monday has helped reduce the backlog experienced over the weekend, which has now subsided for the moment as cargo continues to move out of the Port and into the community. Vessel activity this week includes the Kaimana Hila, currently at F5, the Galaide at F4 and Asia Cement No. 9 at F3. The Islander barge is scheduled to arrive at 9:00 a.m. tomorrow, followed by New Century 1, a roll-on/roll-off vessel, at 8:00 a.m. on August 27, 2026. The

Galaide will depart for Saipan before returning at 8:30 a.m. on August 29, 2026, followed by the APL Oceania at 1:00 p.m. and the Kyowa Stork at 6:00 p.m. that same day.

With multiple vessel calls scheduled throughout the week, Port resources will be required to support incoming vessel operations while continuing cargo movement through the terminal. To support these operations, the Port will deploy three Operations teams during the day shift and three Operations teams during the night shift each day this week. Each 17-member team consists of three cargo checkers, seven stevedores and seven transportation employees. This provides 51 Operations personnel per shift, including nine cargo checkers, 21 stevedores and 21 transportation employees, to support vessel and terminal operations during both the day and night shifts.

The Port currently has three top lifters available for the movement of full containers and two side loaders available for the movement of empty containers. Two of the top lifters were returned to operation last week, with a third unit restored to service today. Crews continue working to restore additional cargo handling equipment to service. The Port has a total of ten top lifters in its fleet, with additional units undergoing diagnosis and repair. Those repair efforts are being supported by a total of 15 EQMR mechanics working day and night to bring additional units online. The Port's mechanics are also being assisted by two mechanics from LMS Services. The Port procured LMS Services last week to provide additional technical assistance with the diagnosis and repair of offline top lifters. LMS began working alongside Port Equipment Maintenance personnel on Wednesday, August 19, supplementing the Port's internal mechanical resources and helping the Port return additional units to service.

While the Port works to restore additional equipment, it is also increasing the number of qualified employees available to operate that equipment. On Friday, August 21, 2026, the Port hired four new Equipment Operator II employees. The Port also plans to open additional equipment operator positions soon, as part of its continuing effort to strengthen operational capacity and ensure qualified operators are available as additional equipment is returned to service. We want our customers and industry partners to have a clear picture of what this week looks like so they can plan accordingly. We opened the Gatehouse on Saturday at no additional cost to our customers and moved 171 units before beginning another busy week of vessel activity. All three of our gantry cranes are operational, we now have three top lifters available, our Operations teams are working both day and night shifts, and our mechanics are continuing to work alongside LMS to restore more equipment. We are making progress on several fronts, but we also want our customers to understand the demands we are managing this week and to anticipate that there may still be delays. The Port will continue monitoring vessel activity, equipment availability, manpower and cargo movement throughout the week and will provide additional updates as operational conditions change.

10. **Port Expands Equipment Recovery Effort Through Emergency Procurement (August 27, 2026).** The Port Authority of Guam has taken an additional step to accelerate the restoration of critical cargo handling equipment by initiating emergency procurement procedures for needed top loader parts, repair services and related support. The action follows

the Port's August 25 operational update, which reported that three top loaders had been returned to service, all three gantry cranes were operational and Port Equipment Maintenance crews were continuing day and night repair efforts on additional units. The Port has identified approximately $156,000 in parts needed for top loader repairs, including components required to address identified mechanical failures and return additional equipment to service. These parts are currently being processed for procurement under the emergency authorization. The Port submitted its emergency procurement request to the Office of the Governor, and Governor Lourdes A. Leon Guerrero approved the request on August 26, 2026, allowing the Port to proceed with expedited procurement of urgently needed parts and repair support.

We appreciate Governor Leon Guerrero's prompt action in approving the emergency procurement request. Her approval allows us to move forward more quickly with the procurement of the parts and services needed to return additional equipment to operation. The emergency procurement allows the Port to move more quickly to obtain necessary parts, repair services, materials, equipment, temporary labor and other support while continuing to comply with Guam procurement law. The action was taken after the Port experienced a sudden concentration of top loader failures during its continuing recovery from Typhoon Bavi. At one point, the number of available top loaders fell from four units to zero. Equipment Maintenance personnel returned two units to operation by the following workday, and a third unit was subsequently restored to service.

Fifteen Port Equipment Maintenance mechanics have been working day and night on equipment recovery efforts. They are being supplemented by two mechanics from LMS Services, which the Port procured to provide additional technical assistance with the diagnosis and repair of offline top loaders. We have identified the parts our mechanics need, and our focus now is getting those parts here and getting additional equipment back into service. Approximately $156,000 in parts have been identified for procurement. The emergency authorization allows us to move with the urgency the situation requires while maintaining the accountability required under Guam law. The identified parts include major mechanical and hydraulic components, bearings, bushings, hoses, filters, seals and other equipment specific replacement parts needed for the Port's top loader fleet. The Port's emergency procurement determination authorizes expedited procurement for immediate repair needs while requiring competition where available and practicable under the circumstances.

The Port is also continuing efforts to strengthen operational capacity. Four new Equipment Operator II employees were hired on August 21, and additional equipment operator positions are expected to be opened as more cargo handling equipment is returned to service. This is about restoring our equipment and maintaining the reliable movement of cargo through the Port. Our focus is on getting additional equipment back into service while continuing to manage our resources responsibly and protect the continuity of Port operations. The Port will continue monitoring equipment availability, vessel activity, manpower and cargo movement and will provide additional updates as conditions change.

11. **Management Review Initiated to Strengthen Equipment Readiness and FY2027 Planning.** Following the emergency procurement action, the General Manager directed Equipment Maintenance and Procurement to jointly review the circumstances that led to the recent condition of the Port’s top loader fleet and the need for emergency procurement. The immediate priority remains restoring equipment and maintaining cargo operations. At the same time, management has a responsibility to understand how the Port reached the point where emergency procurement became necessary. The review will examine the condition and maintenance history of the affected equipment, when significant deficiencies and parts requirements were identified, whether needed parts had previously been requested or processed for procurement, and whether delays occurred between identification of maintenance requirements and acquisition of the necessary parts. It will also assess preventive maintenance, critical spare parts inventory, procurement coordination, requisition tracking, parts forecasting, and whether significant equipment readiness concerns were elevated through the management chain.

    The purpose of the review is not to presume that the equipment failures were avoidable. Cargo handling equipment operates under demanding conditions and mechanical failures will occur. The review is intended to distinguish unavoidable mechanical failures from circumstances where earlier identification, procurement, coordination, or management escalation may have reduced the severity or operational impact of the equipment shortage.

    The review also looks forward. Equipment Maintenance has already developed several initiatives intended to strengthen equipment reliability and reduce the likelihood that individual equipment failures develop into operational emergencies. These include establishing a more deliberate critical spare parts inventory, exploring vendor managed inventory for frequently used and mission critical components, strengthening maintenance management technology, and evaluating a cargo handling equipment Performance Management Contract to supplement the Port’s internal technical capabilities. The proposed Performance Management Contract is being considered as part of the FY2027 Budget Act and would remain subject to applicable procurement law.

    Equipment Maintenance’s assessment of the Port’s cargo handling equipment needs also supports the Port’s pursuit of federal Marine Highway grant funding for three additional top loaders. The recent shortage reinforces the importance of adequate equipment redundancy and the operational risk created when terminal capacity depends too heavily on a limited number of aging units.

    Equipment Maintenance, Procurement, and the General Manager’s Office will begin developing an implementation framework so that initiatives ultimately approved through the FY2027 Budget Act can proceed without unnecessary delay. The framework will identify proposed scope, procurement requirements, estimated costs, responsible offices, sequencing, and other actions necessary for implementation.

The objective is not simply to restore the current fleet. It is to strengthen the system that supports equipment readiness. The review will identify what worked, what did not, and what changes are necessary so that known equipment requirements are addressed before they become operational emergencies.

12. **Bill No. 310-38, Container Seal and Cargo Security Standards.** I submitted testimony to the Thirty-Eighth Guam Legislature supporting the intent of Bill No. 310-38, which would establish minimum high security seal requirements for loaded containers arriving by vessel at a Guam port of entry. Several amendments were recommended to ensure that the legislation strengthens Guam's cargo security framework while working with existing Port and Customs procedures.

    Emphasis was made that the Port already has procedures in place for identifying, documenting, securing, and responding to containers discovered with missing or broken seals. These procedures were strengthened in 2021 to provide a more structured operational response during vessel operations. When a discrepancy is discovered, the affected container is secured, Port Police is notified, and the container is placed under controlled custody pending Customs clearance.

    The testimony recommended that the legislation clearly distinguish responsibility for an underlying seal violation from responsibility for discovering and responding to that violation. Port personnel who identify, report, and secure a container should not become responsible for a violation that may have occurred before the container reached Guam or came into the Port's custody.

    Also recommended were clarification on reporting responsibilities, recognition of legitimate seal changes resulting from authorized inspections, coordination of the proposed penalties with existing Guam law, and consultation with the Port, ocean carriers, federal partners, and other affected stakeholders during development of implementing regulations.

    The Port's position supports stronger cargo security while preserving the efficient movement of legitimate commerce. Bill No. 310-38 can provide an additional layer of protection through a recognized high security seal standard while building upon the operational and security procedures already in place at Guam's commercial port.

13. **Building A and Horizon Building Rehabilitation.** The Port continued advancing the long needed rehabilitation of Building A, the Port Administration Building, together with a coordinated effort to address the deteriorating condition of the nearby Horizon Building occupied by the Guam Customs and Quarantine Agency.

    The Port had deliberately deferred improvements to its own administrative offices over the past several years while prioritizing operational needs, cargo handling, security, resiliency, and other critical infrastructure investments. With Building A now requiring attention, the Port proceeded with a competitive procurement for its rehabilitation and, where practical, incorporated options for repairs to the Horizon Building into the same solicitation.

The Horizon Building is more than 65 years old and has experienced roof leaks, water intrusion, concrete deterioration, mold concerns, and other facility deficiencies. It is a Port owned facility that CQA currently occupies on a rent free basis under an existing Memorandum of Agreement. Rather than use Port revenues or proceeds from the 2018 Revenue Bond Program to rehabilitate space occupied by another government agency, the Port pursued separate funding for the Horizon portion while offering to manage the work in conjunction with the Building A project.

On June 16, 2026, I formally wrote to CQA requesting confirmation of funding so that the Horizon work could be incorporated into the pending Building A contract award. At that point, the Port had completed its evaluation of the bids and was prepared to proceed with Building A. The timing was important because including Horizon in the same project would maximize efficiency, reduce mobilization costs, and avoid another procurement later.

The results of the competitive procurement also created a significant opportunity. CIP/Engineering's preliminary estimate for comprehensive Horizon repairs had been approximately $900,000. The competitive bid reduced the comprehensive repair option to approximately $411,585.

On June 26, 2026, Governor Lourdes A. Leon Guerrero advised that she was working with Bureau of Budget and Management Research Director Lester Carlson to identify funding for the Horizon Building repairs and stated that the funding would be found so that CQA employees could work in a safe environment.

On June 30, 2026, CQA Director Ike Peredo formally responded that, with the Governor's assistance, CQA had secured funding for the comprehensive $411,585 rehabilitation option. CQA also recognized the need for significant repairs and the opportunity presented by the substantially lower competitive bid.

That commitment was then formalized through an interagency agreement. CQA certified $411,585 in funding on July 10, 2026. BBMR approved the agreement on July 13, 2026, and Governor Leon Guerrero approved and signed it on July 14, 2026. On July 15, 2026, the Governor's Legal Counsel transmitted the signed agreement to CQA for processing. Under the agreement, CQA funds the Horizon portion of the project while the Port provides overall project management and coordination through final inspection and acceptance. The permanent improvements remain with the Port owned facility.

The procurement has since been finalized and the contract awarded. On August 28, 2026, the contractor returned the signed contract for my signature and transmittal to CIP/Engineering for processing, moving the Building A and Horizon Building rehabilitation effort from planning, procurement, and funding into the next stage toward construction.

This project demonstrates the progression of an issue from identification to execution. By coordinating the Horizon work with the ongoing Building A rehabilitation, the Port was able to use a single competitive procurement, reduce the estimated cost of the Horizon work from approximately $900,000 to $411,585, secure CQA funding for improvements to the facility it occupies, and advance long needed repairs to two aging Port owned buildings. The arrangement also preserves Port resources for other operational and infrastructure priorities while ensuring that the permanent improvements to both facilities remain Port assets.

14. **General Manager's Notes for YTD Finances. We are providing the following summary for June 30, 2026:**

- **REVENUES AND CARGO THROUGHPUT:**
  The Port's total operating revenue as of YTD June 2026 (9 months) is $49.6 million, which is 1.4% or $688K higher than the YTD June's revenue budget of $48.9 million and also higher by 16% or $6.7 million than last year's revenues as of June 2025 at $42.8 million.

  The total number of containers handled as of YTD June (9 months) is 67,556, which is higher by 8.5% or 5,308 containers compared to last year's YTD total of 62,248 containers. The total for non-containerized (breakbulk) cargo as of June is 169,622 revenue tons, which is 22.8% or 31,502 revenue tons higher than last year's June numbers at 138,120. Breakbulk cargos from Foreign vessels have increased by 38.6%, breakbulk cargos from domestic vessels have decreased by 2.4%.

- **OPERATING EXPENSES:**
  The total operating expenses as of June is $46.6 million, which is 2.0%, or $955K lower than the YTD June budget of $47.6 million.

- **OVERTIME EXPENSE AND DIRECT LABOR REVENUE:**
  Overtime for all the divisions as of YTD June is $1.4 million , which is 13%, or $163K higher than YTD June overtime budget of $1.3 million.

  The total Direct Labor revenue as of YTD June is $3.7 M, 0.2%, or $6K higher than the FY26 budget of $3.7 M, and 18% or $581K higher than last year's YTD June total of $3.2M.

- **YTD OPERATING REVENUES MINUS YTD EXPENSES:**
  Operating results (Operating revenues minus operating expenses) as of June ended with an operating income of $2.9M. The Port ended with a net income of $2.2M after deducting the net of Other Income/Expense of -695K.

- **YTD DEBT SERVICE COVERAGE RATIO (DSCR) STATUS:**
  Based on the June numbers, the DSCR calculation is at 1.92, which is above by 0.67 or 54% as compared to the 1.25 ratio requirement on the 2018 bond indenture agreement.

15. **FY2027 Budget Advances Port Priorities.** Management has completed development of the proposed FY2027 Budget around the Port's continuing responsibility to Operate. Stabilize. Modernize. The proposed budget does not represent a new direction for the Port. It continues the modernization, financial stewardship, workforce development, infrastructure investment, and institutional reforms advanced over the past several years.

    The FY2027 Budget places particular emphasis on maintaining reliable daily operations while addressing several structural issues that affect the Port's long-term readiness. These include cargo handling equipment reliability, preventive maintenance and parts management, skilled trades and operator capacity, continued financial discipline, technology modernization, capital project execution, and responsible equipment replacement planning.

    The budget also continues the Port's disciplined approach to staffing. Management will continue evaluating vacancies based on operational necessity, organizational priorities, and available resources rather than treating every vacant position as requiring automatic replacement

    The proposed budget is intended to provide the resources and management authorities necessary to address immediate operational requirements while continuing the Port's longer-term modernization.

16. **Tariff Petition and Financial Sustainability.** The Port continues to monitor its pending tariff petition before the Public Utilities Commission. The proposed adjustment addresses the structural difference between the labor rates currently charged through the tariff and the actual cost of providing those services, while establishing a more sustainable mechanism for future adjustments.

    The tariff proceeding remains particularly important as the Port continues balancing increasing operating and infrastructure costs with its responsibility to maintain financial stability and reasonable rates for Port users.

    Moody's Ratings recently reaffirmed the Port's Baa2 investment-grade rating with a stable outlook for the sixth consecutive year. Moody's cited the Port's essential role, low debt burden, strong liquidity, prudent financial management, and efforts to align revenues with increasing operating costs.

    The Port's strong year to date financial performance provides an important foundation as management addresses the pending tariff adjustment and the Port's longer term operating and capital requirements.

    Management will continue protecting the Port's financial position while ensuring that sufficient resources remain available for operations, workforce requirements, equipment, and infrastructure modernization.

17. **Major Capital Program Moving from Planning Toward Execution.** The Port continues preparing for the next phase of its capital modernization program, including the approximately $60 million federal investment for three new ship to shore gantry cranes. MARAD has provided the Port with a draft grant agreement, and Legal review is proceeding concurrently with the required environmental review and supporting federal documentation.

    The cranes represent only one component of the Port's larger capital requirements. The Port continues advancing wharf rehabilitation, crane rail improvements, fuel infrastructure, dredging, cybersecurity, equipment acquisition, marina improvements, and other projects through a combination of federal grants, Port resources, and other potential financing.

    As the number and value of these projects increase, management is also strengthening the governance structure used to plan and execute the Capital Improvement Program. The Board-approved CIP process will provide the principal framework for capital investment, with the Port Master Plan continuing to guide long-term development without unnecessarily limiting the Port's ability to respond to emerging operational, infrastructure, funding, and national security requirements.

    Management is establishing clearer responsibilities among CIP and Engineering, Planning, Finance, Procurement, and other participating divisions so that project development, funding, procurement, execution, financial oversight, and reporting remain coordinated. This becomes increasingly important as the Port moves from securing major federal investments toward delivering the projects those investments were intended to support.

18. **Workforce and Operational Capacity.** The Port continues strengthening the workforce necessary to support twenty-four-hour, seven-days-a-week port operations and an increasingly complex equipment and infrastructure environment.

    Four new Equipment Operator II employees were hired on August 21, and management is preparing to open additional equipment operator positions as cargo handling equipment is restored to service. During the recent equipment recovery effort, 15 Equipment Maintenance mechanics worked day and night and were supplemented by additional outside technical assistance.

    The recent operational challenges reinforce that equipment availability alone does not determine terminal capacity. The Port must also maintain sufficient qualified operators, mechanics, crane mechanics, skilled trades personnel, and supporting employees to place available equipment into productive service and sustain operations.

    FY2027 workforce planning will therefore continue emphasizing operationally critical positions, skilled trades development, training and qualification, succession, and cross training while maintaining the vacancy controls that have supported the Port's financial discipline.

The objective is not simply to increase staffing. It is to ensure that the Port has the right workforce, skills, equipment, and systems available when operations require them.

19. **Status of Ongoing Awarded Grant Activities and Updates on Planned Grant Acquisitions.**

- **MARAD PIDP**

Project: Strengthening Supply Chain with New Port Cranes

Update: MARAD provided PAG with the draft Grant Agreement, together with the applicable General Terms and Conditions and exhibits, for review by PAG Legal. Review of the agreement is proceeding concurrently with the ongoing NEPA and federal environmental review process. PAG continues to coordinate with MARAD on the remaining requirements, including completion of the applicable environmental review and supporting federal documentation, before the Grant Agreement can be finalized and executed.

- **U.S. Economic Development Administration (EDA).**

Project: Fuel Pipeline Connectivity Report

Update: PAG Procurement, Legal, Planning, and Engineering staff coordinated to finalize the amendment of the A/E design scope of services to include additional design components and a biological survey of Golf Pier. Amendment 1 increased the A/E Design cost and has been finalized, with a Board Resolution developed for PUC approval.

- **MARAD Marine Highway Program.**

Project: Container Yard Various Equipment Acquisition

Status Quo: Requisitions have been entered for the purchase of two 20-ton forklifts and two utility trucks. Procurement is ongoing for the equipment.

- **US DOT Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program.**

Project: Wharves F2 – F6 Repair

Update: Guam EPA has issued the Section 401 Water Quality Certification, Coastal Zone Management coordination is complete, and the U.S. Army Corps of Engineers (USACE) Nationwide Permit remains the principal permit pending final issuance. As PAG, MARAD, and the project consultants continue compiling and reviewing the administrative record, additional Section 4(f) documentation associated with the Commercial Port Historic District is being addressed to advance the Environmental Assessment toward final determination. Coral relocation planning is complete, with approximately 20 coral colonies identified for translocation and a relocation site confirmed. Translocation remains pending completion of MARAD's NEPA review.

- **Office of Insular Affairs Maintenance Assistance Program (MAP).**

Project: Welding Shop Repair (Phase 1 & 2)

Update: Project is pending punch list items and the final electrical upgrades. The Period of Performance was extended to September 10, 2026.

Project: Generator Maintenance Program

Status Quo: Ongoing third year maintenance contract with Hawthorne Pacific. Three POs were awarded to three different vendors for generator stator rewinding services at $24,000 each.

- **U.S. EPA Clean Ports Program.**

Project: Zero Emissions/Zero Waste Implementation Plan

Update: Project activities under Subtask 16.2: Greenhouse Gas Emission Inventory and Subtask 16.4 Workforce Development are progressing as scheduled.

- **Department of Agriculture (DOAG) Sport Fish Restoration Program.**

Project: Pre-Construction for a Gangway & Dock for Harbor of Refuge

Update: The project scope has been updated and is targeted for finalization in Q4 FY 2026. CIP/Engineering is also preparing the supporting procurement documents, including the Determination of Need, requisition, and procurement planning coordination necessary to complete the bid package and advance the project toward solicitation.

Project: Demolition and Replacement of Dock A at Hagatna Marina

Update: PAG submitted a revised Scope of Work to DOAG-DAWR for approval, together with a request to extend the grant performance period through September 30, 2027. The revised scope prioritizes immediate life-safety and critical repairs within the available $500,000 grant award and reduces the project to one approximately 125-foot main walkway/gangway with four finger slips, while retaining rehabilitation and reuse of serviceable existing dock components. PAG is awaiting DOAG-DAWR approval before proceeding with procurement.

Project: Agat Marina Southern Walkway Repair

Update: DOAG followed up with the Office of the Attorney General's Solicitors Division regarding the pending MOA and was advised that the matter remains under review. PAG will continue to coordinate with DOAG and await completion of the review before advancing the project.

Project: Repair of Merizo Boat Ramp

Update**:** PAG submitted a modified Scope of Work to DOAG-DAWR for approval, together with a request for a one-year extension of the project performance period through September 30, 2027. The revised scope reduces the repair area from approximately 30 feet by 80 feet to 30 feet by 30 feet and provides two construction options—precast concrete slabs or cast-in-place reinforced concrete—to address the deteriorated boat ramp within the available $52,000 grant funding. USACE has advised that a federal permit is required for repairs below the High Tide Line, with related Guam EPA water quality review required before construction can proceed. PAG is awaiting DOAG-DAWR approval of the modified scope and performance-period extension before advancing permitting and procurement.

Project: Maintenance & Structural Assessment of Malesso Pier

Update: PAG submitted a modified Scope of Work to DOAG-DAWR for approval, together with a request for a one-year extension of the project performance period through September 30, 2027. The revised scope retains the structural assessment and prioritizes repair of damaged wooden decking, borders, and beams within the available $150,000 grant funding, with selected lighting and ladder improvements identified as optional items based on available funding. USACE permitting requirements have also been incorporated into the revised scope, with any physical repair work requiring applicable federal and local permits or written verification prior to construction. PAG is awaiting DOAG-DAWR approval of the modified scope and performance-period extension before proceeding.

- **Department of Agriculture (DOAG) Clean Vessel Act.**

Project: Pumpout Service Assessment for Recreational Boats

Update: Final scope refinement remains underway and is targeted for completion in Q4 FY 2026. CIP/Engineering is also preparing the supporting procurement documents and planning coordination necessary to complete the procurement package and advance the project toward solicitation.

- **Department of Defense Office of Local Defense Community Cooperation (OLDCC) Defense Community Infrastructure Program (DCIP).**

Project: Joint Region Marianas (JRM) Pier Infrastructure Restoration (F1 Near-Term Emergency Repair)

Update: The Biological Assessment report completed by Port Consultant DCA and Associates is currently being reviewed by both the Port and JRM environmentalists. Next steps is for JRM's completion of its review and findings to work towards a CATEX Determination.

- **FEMA Port Security Grant Program (PSGP).**

Projects:	Implementation of an Active Directory
	Replacement of Aging SonicWall 4600 Firewall and 3-Year Subscription of Intrusion Detection System Monitoring
	Security Barrier System
	Modular Floating Dock System

Update: After several attempts to contact the FEMA Program Officer via email, the PAG received a response on June 23, 2026 from the Section Chief indicating that operations had resumed and staff were working to address backlogged items. A Zoom meeting was held on July 17, 2026 with the Section Chief. During this meeting, he confirmed that no additional funds would be added to the federal share and further clarified that the reduced quantities reflected in the "Approved Scope of Work" pages of the award notification did not need to be followed. A revised budget will be submitted to FEMA.

- **USDOT Better Utilizing Investments to Leverage Development (BUILD).**

Project: Fuel Connectivity Construction

Update**:** PAG has been awarded $12.85 million to strengthen Guam's critical fuel infrastructure through a series of strategic improvements, including the construction of three 10-inch fuel pipelines connecting the Port's F1 and Golf fuel piers.

- **MARAD Port Infrastructure Development Program (PIDP).**

Project: Crane Rail Support

Status Quo: Planning submitted the grant proposal to US DOT on June 1, 2026.

- **EDA Disaster Supplemental Program.**

Projects:	Dry Dock Feasibility Study
	Deep Draft Wharf Feasibility Study
	Wharf F3 Repair
	Golf Pier Repair

Status Quo: PAG intends to submit a grant proposal.

- **Office of Local Defense Community Cooperation (OLDCC) Defense Community Infrastructure Program (DCIP).**

Project: Golf Pier Repair

Status Quo: PAG intends to submit a grant proposal.

Project: Owner's Agent Engineer Services

Update: PAG submitted the grant proposal on June 25, 2026.

- **Office of Insular Affairs (OIA) – MAP.**

Project:	Crane Mechanic Shop and Maintenance Officer Repair
	Generator Maintenance

Status Quo: Planning submitted the grant proposal to OIA on June 3, 2026.

- **Office of Insular Affairs (OIA) – TAP**

Project: PAG Workforce Capacity Enhancement Initiative

Update: Planning submitted the grant proposal to OIA on June 5, 2026.

- **US Department of Housing and Urban Development (HUD)/Proposed Hazard Mitigation Projects**

Projects: 1. Shore power pit hardening 2. Installation of light fixtures, tiles and shutters 3. Demolition and removal of fuel tanks 4. Seawall slope protection measures 5. F2-F6 improvements 6. Horizon Building hardening 7. F3 wharf project 8. Golf Pier 9. Removal and disposal of fallen debris along wharve F2-F6 10. Microgrid feasibility study

Update: Planning submitted ten (10) project proposals onto the GHURA CDBG Portal. On August 5, 2026, a meeting was held with CDBG-DR, PAG, and DPW staff to discuss the Seawall Slope Protection Measures Project. For the Port's CDBG DR application to move forward, PAG must provide an MOA to GHURA granting the Port authorization and site control. DPW has applied for $20 million in Federal Highway Emergency funds for seawall repairs. DPW can request additional funding if assessments or bid amounts come in higher than expected. CDBG DR funds may serve as gap funding to supplement the larger FHWA funded project. The PAG will rescind the project submission or ask if DPW can be the applicant/recipient of CDBG funds.

20. **FY2026 Year End Management Performance Assessment.** The FY2026 Year End Management Performance Assessment is being submitted to the Board of Directors and is attached to this General Manager's Report for the record. The assessment reflects both the progress made across the Port and the work that remains.

    FY2026 showed that the reforms and investments of the past several years are working, but it also exposed where the Port still depends too heavily on individual intervention. The Port maintained operations while advancing major infrastructure investments, responding to severe weather, managing aging equipment, strengthening financial discipline, supporting security and resilience, advancing technology, maintaining workforce controls, and preparing for a significantly larger capital and modernization program.

The assessment also identifies areas requiring continued attention, particularly equipment reliability and maintenance capacity, capital project execution, financial sustainability, technology implementation, workforce readiness, commercial administration, and management follow through.

FY2027 will continue the work already underway under the framework of Operate. Stabilize. Modernize. The focus will be on converting reforms into durable institutional systems, strengthening management ownership and accountability, addressing vulnerabilities identified during FY2026, and continuing investments in infrastructure, equipment, technology, workforce capability, and governance.

The goal is to build an institution capable of sustaining this progress without depending on any one individual to keep the organization moving. Modern infrastructure requires modern governance.

21. **Port Revenue Bonds Project Status.** As of August 21, 2026 the attachment provides information on the status of the revenue bond projects, which include the rehabilitation of the hotel wharf, repairs and improvements to the golf pier, waterline replacement/relocation, upgrades to the EQMR building, repairs and upgrades to warehouse one, construction of a new admin annex building, and other priority projects.

Respectfully submitted,

Rory J. Respicio
General Manager

PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

August 27, 2026

MEMORANDUM

To: Chairperson and Members of the Port's Board of Directors

From: Rory J. Respicio, General Manager

Subject: Port of Guam's FY 2026 Year End Management Performance Assessment

Buenas yan Håfa Adai. We respectfully submit this Fiscal Year 2026 Year End Management Performance Assessment summarizing the performance of the Port Authority of Guam and each of its divisions as we prepare to enter Fiscal Year 2027.

Fiscal Year 2026 tested the Port in ways that extended well beyond normal operations. The organization continued advancing major infrastructure and modernization initiatives while responding to equipment challenges, severe weather, changing operational conditions, federal requirements, increasing capital demands, and the continuing need to preserve financial and institutional discipline.

The year also demonstrated the importance of the reforms developed over the past several years. Financial controls, personnel accountability, procurement discipline, project tracking, records management, operational coordination, succession planning, and stronger management oversight are no longer temporary initiatives. They are increasingly part of how the Port operates.

At the same time, the year end review confirms that institutionalizing reform requires more than establishing policies and systems. It requires managers to take ownership of their responsibilities, communicate problems early, follow through on assignments, work across organizational boundaries, and carry decisions through completion without repeated intervention from the General Manager's Office.

Fiscal Year 2026 also brought substantial progress. The Port maintained investment grade credit quality. Major federal infrastructure investments continued advancing. The Port continued preparing for replacement of its aging ship to shore gantry cranes. Financial discipline remained strong. Technology and cybersecurity modernization continued. Federal, territorial, military, regulatory, and private sector partnerships strengthened the Port's ability to respond to operational and emergency requirements.

The Port also demonstrated its resilience during Super Typhoon Bavi. Employees maintained critical operations, restored equipment, supported reopening of Guam's commercial seaport, and worked with government and private sector partners to support cargo movement and recovery activities throughout Guam and the region. These developments reinforce a principle that has guided our work throughout Fiscal Year 2026: operational excellence and good governance reinforce one another. Modern infrastructure requires modern governance. Accountability protects credibility, and credibility sustains public trust.

This report therefore reflects both accomplishments and unfinished work. Progress should be recognized, but unresolved matters must also be identified clearly so that Fiscal Year 2027 begins with defined responsibilities and measurable expectations.

Objectives to Evidence Crosswalk

Objective	Expected Outcome	FY 2026 Year End Assessment
Infrastructure Execution	Advance major capital projects toward implementation	Major federally supported projects continued advancing, including approximately $60 million for three new ship to shore cranes, wharf and fuel infrastructure projects, resiliency improvements, and related engineering and procurement activity
Financial Stewardship	Maintain fiscal discipline and protect revenue integrity	Strong financial controls continued, the Port maintained investment grade credit quality, debt obligations were actively managed, clean audit performance continued, and the tariff adjustment remained under regulatory review
Workforce Accountability	Maintain disciplined staffing and merit based personnel administration	Personnel controls, pre audits, practical assessments, succession planning, certification tracking, and careful vacancy management continued
Organizational Modernization	Expand systems, automation, and institutional capacity	EnterpriseOne improvements, cybersecurity modernization, document digitization, maintenance dashboards, lease management systems, and Terminal Operating System planning advanced
Operational Readiness	Maintain reliable vessel and cargo operations	Vessel operations continued despite significant equipment challenges, severe weather, aging equipment, workforce demands, and periods of reduced cargo handling capacity
National Security and Resilience	Support Guam's supply chain and defense readiness	Coordination with federal agencies, military partners, USCG, MARAD, CISA, FEMA, and other partners continued, including emergency response and H Wharf activities
Governance and Compliance	Strengthen defensible institutional decision making	Legal, procurement, personnel, financial, commercial, security, and capital project controls continued to mature
Revenue Integrity	Improve cost recovery, billing, lease accountability, and tariff compliance	Finance, Commercial, Operations, Stevedoring, and other divisions continued strengthening documentation, billing, tariff application, lease compliance, and collection processes

Leadership Continuity	Develop organizational depth	Acting assignments, cross training, succession planning, employee development, and supervisory accountability continued across divisions
Institutionalization of Reform	Ensure systems endure beyond individual leadership	Fiscal Year 2026 increasingly focused on converting management reforms into permanent organizational systems, policies, processes, and governance structures

GENERAL MANAGER'S OFFICE
Rory J. Respicio, General Manager
Dominic Muna, Deputy General Manager for Operations
Pacifico Martir, Deputy General Manager for Administration and Finance
Year-End Assessment

Fiscal Year 2026 required the General Manager's Office to maintain simultaneous focus on operations, infrastructure, financial stewardship, personnel administration, commercial matters, regulatory compliance, modernization, emergency response, and institutional governance. Many issues addressed during the fiscal year were not new. Several originated in earlier years and required continued management attention because implementation remained incomplete, responsibilities were unclear, or established policies and directives had not been fully carried through.

The General Manager's Office therefore remained closely involved in both immediate and long range institutional initiatives and detailed operational matters where executive intervention was necessary to protect the Port's interests or restore forward movement.

Significant attention was directed toward the Port's financial position, pending tariff adjustment, federal infrastructure funding, cargo handling equipment reliability, ship to shore crane replacement, Terminal Operating System planning, commercial lease administration, project governance, workforce controls, emergency readiness, and organizational succession.

The Port also maintained active engagement with the Board of Directors, Governor and Lieutenant Governor, Legislature, Public Utilities Commission, federal agencies, military partners, regulatory agencies, Port users, tenants, carriers, labor, contractors, and community stakeholders.

Fiscal Year 2026 reinforced the need for a management culture in which issues are brought forward before they become crises and responsibilities are carried through without unnecessary escalation. The General Manager should remain informed and accountable for the organization, but the General Manager cannot become the default project manager for assignments already delegated throughout the Port.

Areas of Significant Progress

- Maintained the Port's financial and institutional stability while advancing major modernization and capital initiatives, including approximately $60 million in federal support for replacement of the Port's aging ship to shore gantry cranes and continued investment grade credit quality.
- Continued strengthening the Port's long term financial position through disciplined fiscal management, workforce and vacancy controls, and advancement of the tariff proceeding addressing structural labor and operating cost imbalances.
- Maintained operational continuity and strengthened organizational response during Super Typhoon Bavi and subsequent recovery activities, including emergency and regional cargo operations through H Wharf and coordination with government and private sector partners.
- Advanced Fiscal Year 2027 initiatives addressing equipment reliability, maintenance capacity, capital project governance, technology modernization, security, workforce development, and financial sustainability.
- Strengthened institutional governance and external engagement through greater Board visibility over significant matters and continued coordination with federal and military partners concerning the Port's supply chain, infrastructure, resiliency, and national security responsibilities.

Areas Requiring Continued Attention

- Translating plans, recommendations, and management directives into completed action with stronger ownership, follow-through, and accountability.
- Stabilizing equipment reliability while aging cargo handling assets remain in service and preparing the workforce for new equipment and technology.
- Strengthening governance and execution for capital projects, contracts, contractor performance, and other major institutional initiatives.
- Completing significant unresolved matters, including the tariff adjustment, Commercial Division transactions, and Terminal Operating System implementation.
- Ensuring Fiscal Year 2027 initiatives approved through the budget process are assigned, tracked, implemented, and carried through to completion as intended.

General Manager's Feedback

Fiscal Year 2026 demonstrates that the Port has made substantial institutional progress, but it also identifies the next stage of our development.

For several years, much of our focus involved correcting systems, rebuilding financial credibility, establishing stronger personnel controls, modernizing policies, protecting revenue, addressing deferred infrastructure needs, and developing a foundation for major capital investment.
The next stage must focus on execution.
A manager's responsibility does not end when a problem is identified or when a recommendation is made. Managers must identify the next action, assign responsibility, follow progress, resolve obstacles, and bring matters to completion.

Likewise, divisions cannot operate as separate organizations competing for resources or credit. Revenue generated through Operations belongs to the Port. Equipment maintained by Equipment Maintenance serves the Port. Infrastructure delivered by Engineering serves the Port. Financial resources managed by Finance belong to the Port. No division succeeds independently.

Even where a supporting division has deficiencies, managers must address those deficiencies professionally. For the sake of argument, even if an assessment that another division has fallen short is correct, our responsibility as managers is not to diminish another part of the organization. Our responsibility is to solve the problem.

This will remain a central expectation in Fiscal Year 2027.

IN HOUSE LEGAL
Atty. James L. Canto
Atty. Jessica Toft
Year End Assessment

Legal continued supporting the General Manager, Board, and divisions across personnel matters, procurement, commercial leases, contract administration, infrastructure projects, regulatory issues, Board actions, grants, administrative proceedings, and other institutional matters. The increasing complexity of the Port's capital program and modernization efforts continues to expand the importance of early legal involvement.

Legal also remained closely involved in commercial matters requiring clarification of lease structure, valuation, contract obligations, property boundaries, tenant responsibilities, and the distinction among leases, management arrangements, operating agreements, and other commercial instruments.

Areas of Progress

- Continued legal support across personnel, procurement, commercial, infrastructure, regulatory, and federally funded matters.
- Supported major Board actions, institutional policies, solicitations, contracts, leases, and capital project implementation.
- Strengthened procurement, contract, and transaction documentation while helping management identify and correct legally vulnerable or insufficiently documented practices.
- Continued supporting the Port's modernization agenda through early legal review and coordination on major projects and institutional initiatives.

Areas Requiring Continued Attention

- Managing the increasing volume and complexity of infrastructure, procurement, commercial, and regulatory matters.
- Strengthening contract administration and enforcement after award, including commercial lease documentation and transaction structure.

- Ensuring Legal is engaged early enough that procurement, regulatory, and contractual requirements are addressed during project development rather than after commitments are made or problems arise.

General Manager's Feedback
Legal remains essential to the Port's modernization effort. The objective is not to make Legal the manager of any project or to shift responsibility away from the division assigned to deliver it. Legal's role is to ensure that decisions affecting the Port are legally sound, properly documented, and structured in a manner that protects the institution before commitments are made.

One of the more important institutional developments during my tenure has been the establishment of two in house legal counsel positions. The Post Audit challenge during FY25 ultimately created an opportunity for us to strengthen the Port's internal legal capacity in a way that should endure beyond any individual administration.

I appreciate that the Post Audit challenge prompted immediate action to convert the positions to classified status and carry over the two incumbent Port attorneys. That process allowed us to secure permanent in house legal resources whose service to the Port is not dependent upon a particular General Manager or change in administration. The resulting continuity strengthens institutional memory, promotes greater consistency in legal interpretation, reduces dependence on outside counsel for routine matters, and provides the Board and management with a more durable legal foundation.

More importantly, classified status gives our in house counsel the independence to exercise professional judgment, provide candid legal advice, and raise concerns when necessary without fear that doing so could jeopardize their employment. That independence strengthens the quality of legal advice available to the Port and reinforces the principle that institutional counsel serves the Port itself, not any individual officeholder.

The value of this structure will become even more significant as the Port enters a period of substantial capital investment, technology implementation, complex procurement, commercial activity, federal grant administration, and regulatory oversight. Institutional legal capacity should develop alongside institutional operational and technical capacity.

As major contracts move from solicitation into implementation, greater emphasis must also be placed on contract administration and enforcement. A legally sound procurement loses much of its value if contractual requirements are not subsequently monitored and enforced. Legal should therefore continue helping management establish clear expectations at the beginning of a transaction while supporting the responsible divisions in enforcing those obligations throughout the life of the contract, lease, grant, or project.

The larger objective is continuity. The Port should not have to rebuild its legal capacity with every leadership transition. Establishing permanent in house counsel helps ensure that the legal knowledge, institutional history, governance standards, and safeguards developed over the past several years remain part of the Port itself.

OPERATIONS
Glenn Nelson, Operations Manager
Patrick Alvarez, Assistant Operations Manager
Year End Assessment

Operations continued maintaining vessel and cargo operations through a fiscal year marked by aging equipment, changing vessel schedules, workforce demands, severe weather, and periods of constrained cargo handling capacity.

The Division demonstrated operational resilience during Super Typhoons Bavi and Sinlaku and the subsequent recovery activities**.** Operational personnel adapted vessel assignments, gang deployment, cargo handling methods, yard activity, and gate operations while Equipment Maintenance worked to restore critical assets and support continuity of operations.

The temporary reduction in Top Loader availability during a period in August further demonstrated how closely equipment reliability, maintenance resources, operator availability, yard productivity, gate activity, and customer service are connected. The experience reinforces the need to treat equipment readiness as a shared operational responsibility requiring effective coordination among Operations, Equipment Maintenance, Procurement and Supply, Finance, and other supporting divisions rather than as the responsibility of any single organizational function.

The Division also continued managing substantial overtime requirements associated with operating a twenty-four hour, seven day a week port. Management has adjusted the overtime budget over successive fiscal years to more accurately reflect actual operating requirements, including a reasonable allowance for increasing costs. Accordingly, overtime performance should be assessed not simply against the amount budgeted, but against actual workload, vessel activity, service requirements, and comparable prior year expenditures.

Areas of Progress

- Maintained vessel and cargo operations through severe weather, equipment disruptions, and changing operational demands, including emergency and regional recovery activities.
- Strengthened operational coordination involving vessel scheduling, berth utilization, labor deployment, equipment availability, and workforce cross training.
- Continued Special Service Request activity and supported accurate capture of tariff based operational revenue.
- Maintained necessary operational coverage while continuing active management of overtime expenditures and workforce deployment.

Areas Requiring Continued Attention

- Strengthening labor forecasting, workforce deployment, vessel scheduling, berth utilization, and predictable vessel windows where operationally practical. These conditions can change significantly from week to week, requiring Operations to continually adjust staffing, equipment, berth assignments, and operational plans while remaining prepared for multiple scenarios.

- Preparing Operations for Terminal Operating System implementation, including the operational processes, staffing responsibilities, and internal coordination required for successful adoption.
- Improving management follow through so that actions identified through operational reviews are assigned, tracked, and carried through to completion.

General Manager's Feedback

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Areas of Progress

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staffing, equipment, berth assignments, and operational plans while remaining prepared for multiple scenarios.
- Preparing Operations for Terminal Operating System implementation, including the operational processes, staffing responsibilities, and internal coordination required for successful adoption.
- Improving management follow through so that actions identified through operational reviews are assigned, tracked, and carried through to completion.
- Providing greater closure on matters identified at Midyear, including truck turnaround, equipment utilization and readiness, labor forecasting, productivity measurement, workforce scheduling, and operational coordination. Year end reporting should identify what actions were taken, what measurable improvement resulted, and what remains unresolved.
- Prioritizing FY2027 operational recommendations based on demonstrated need, estimated cost, available funding, existing Port commitments, and institutional priorities rather than identifying potential funding categories without determining whether resources are actually available.

General Manager's Feedback

Operations carried a substantial burden during Fiscal Year 2026 and successfully maintained cargo movement through challenging conditions. The Division deserves recognition for maintaining continuity during equipment outages, severe weather, emergency conditions, and rapidly changing operational demands.

The year end review, however, must look beyond the amount of activity performed. It should also demonstrate what the Division did about the responsibilities entrusted to it, what results were achieved, what remains unresolved, and what management action is necessary going forward. At Midyear, Operations was specifically directed to continue focusing on truck turnaround, equipment utilization and readiness, labor forecasting, productivity, workforce scheduling, and operational coordination. The year end submission contains substantial operational information, but future reporting should provide clearer closure on these management priorities.

The same discipline should apply to recommendations for FY2027. Operations appropriately advocates for the equipment, workforce, infrastructure, and resources necessary to maintain cargo flow. Those recommendations must also account for estimated costs, actual funding availability, competing institutional priorities, existing commitments, and the responsibilities of other divisions. Identifying a possible funding category does not establish that funding is available.

Several matters identified in the Operations submission also involve Port initiatives already underway. Operations has an important role in these initiatives, particularly in defining operational requirements and ensuring that investments ultimately support terminal needs. However, management reporting should distinguish between new initiatives originating within the Division and existing Port initiatives that Operations supports or recommends continuing. This is important to maintaining an accurate institutional record and recognizing work already underway.

The Division's operational data concerning feeder services, vessel activity, labor requirements, and Special Service Requests may also assist future tariff and cost recovery analysis. Before concluding that the tariff structure itself requires modification, however, the Port must continue ensuring that all services already authorized under the existing tariff are properly documented, captured, and billed. Operations should continue supporting this effort through accurate operational documentation and coordination with the appropriate divisions.

The same context is necessary when evaluating overtime. Remaining within an approved overtime budget is important, but it does not by itself establish cost containment when the budget has been adjusted over successive fiscal years to more accurately reflect actual operating requirements. Performance should also be measured against prior year actual expenditures, vessel activity, workload, service requirements, and the recovery of legitimate reimbursable costs.

Operations should continue aggressively identifying and recovering reimbursable costs to which the Port is entitled. I do not, however, support an organizational approach in which revenue generated or recovered through operational activity is treated as though it belongs exclusively to Operations or should automatically be returned to the Division. Port revenues support the institution as a whole. Management's responsibility is to allocate resources according to organizational priorities, operational needs, fiscal capacity, applicable requirements, and Board approved budgets.

Operations should also distinguish between operational observations and conclusions requiring specialized technical expertise. The Division is appropriately positioned to identify equipment downtime, recurring failures, utilization, productivity impacts, and operational consequences. Conclusions regarding structural condition, structural fatigue, remaining useful life, or similar engineering matters should be supported by the appropriate technical assessment.

Equipment Maintenance and Management Coordination

The equipment challenges experienced during FY2026 warrant continued management attention. Nothing in this assessment should be interpreted as concluding that Equipment Maintenance fully met its responsibilities or that deficiencies in preventive maintenance, repair planning, technical supervision, parts management, or other maintenance functions did not contribute to equipment availability challenges.

At the same time, concerns regarding another division's performance must be communicated in a manner consistent with management responsibility.

Even assuming, for purposes of discussion, that Operations' underlying assessment of deficiencies within Equipment Maintenance ultimately proves correct, I expect managers to address such concerns differently. Our responsibility is to identify the performance deficiency, establish its operational impact, and focus on the corrective action required. We should be able to question decisions, identify failures, and hold one another accountable without unnecessarily diminishing the professional competence of another manager.

If preventive maintenance is inadequate, we should say so. If repair planning is deficient, we should identify the deficiency. If technical decisions adversely affect equipment availability, we should document the decisions and their consequences. If management accountability needs improvement, that should also be addressed.

These observations provide a basis for corrective action. Characterizations regarding another manager's leadership or practical experience, standing alone, do not. This standard does not shield Equipment Maintenance from accountability. Equipment Maintenance will be evaluated against its responsibilities, performance, and results, just as Operations will be evaluated against its own. The same standard applies when Equipment Maintenance raises concerns regarding equipment utilization, operator practices, defect reporting, deployment, scheduling, or other matters within Operations.

Operations and Equipment Maintenance are complementary functions. The equipment challenges experienced during August demonstrated this clearly. Managers may disagree, sometimes strongly, about equipment use, maintenance practices, priorities, and technical decisions. Those disagreements should strengthen decision making when they are grounded in facts and focused on solutions. They should not become personal assessments between managers.

Accountability does not require us to diminish one another. It requires us to identify what is not working, determine why, and correct it.

Institutional Management and FY2027

Operations cannot be evaluated separately from Equipment Maintenance, Terminal, Stevedoring, Transportation, Facilities, Finance, Procurement and Supply, Human Resources, Safety, Harbor Master, CIP and Engineering, Planning, Information Technology, Commercial, General Administration, Marketing, Port Police, and the General Manager's Office.

Operations is the Port's core operating function and should advocate strongly for its needs. At the same time, no division operates in isolation, and no single division's priorities automatically take precedence over the institutional responsibilities and competing needs of the Port as a whole.

Fiscal Year 2027 should place greater emphasis on vessel scheduling, berth utilization, equipment deployment, gate throughput, labor forecasting, workforce deployment, and measurable productivity. These conditions are not static and can change significantly from week to week based on vessel schedules, cargo volumes, equipment availability, weather, staffing, and other operational demands. Operations must therefore continue adjusting its plans as conditions change while remaining prepared for multiple scenarios.

Where operationally practical, the Division should continue developing more predictable vessel windows and stronger advance planning. The expectation is not perfect predictability or the establishment of rigid vessel windows that cannot accommodate weather, transit delays, or other circumstances outside the control of the Port and carriers. The expectation is disciplined preparation, timely adjustment, and the ability to respond quickly when actual conditions differ from the forecast.

Going into FY2027, I expect Operations management to demonstrate ownership of matters within its control, coordination on matters involving other divisions, recognition of initiatives already underway, factual support for conclusions concerning the performance of others, and disciplined prioritization of requests requiring institutional resources.

The Division had a productive and demanding fiscal year. The next step is to build upon that operational performance with stronger management follow-through, greater institutional perspective, and measurable closure on the priorities already identified.

STEVEDORING
Junior Topasna, Stevedoring Superintendent
Year End Assessment

Stevedoring continued supporting vessel loading and discharge operations throughout Fiscal Year 2026 while maintaining safety, workforce supervision, cargo documentation, and close operational coordination. The division also continued strengthening its coordination with Finance and tariff personnel, improving the connection between work performed on the waterfront and the accurate documentation of billable labor, equipment usage, Special Service Requests, and other revenue generating activity.

This continued engagement is important because operational performance and revenue integrity are directly connected. The work performed must not only be completed safely and efficiently, but also documented accurately so the Port can properly account for and recover the revenues associated with the services it provides.

Areas of Progress

- Maintained safe and reliable vessel loading and discharge operations while preserving workforce readiness and operational coverage.
- Continued supervisory development, cross training, and succession planning to strengthen leadership continuity within Stevedoring.
- Strengthened documentation of vessel, labor, equipment, and service activity through continued coordination with Finance and tariff personnel, supporting more accurate billing and revenue accountability.

Areas Requiring Continued Attention

- Continuing workforce training, supervisory development, and succession planning to preserve operational depth and readiness.
- Addressing aging support equipment while preparing employees and operating practices for new cargo handling equipment.
- Strengthening accurate documentation of labor and equipment activity while preparing Stevedoring for Terminal Operating System implementation and the changes it will bring to operational reporting and accountability.

General Manager's Feedback

The division should continue strengthening operational documentation and coordination with Finance so that labor, equipment, vessel activity, and Special Service Requests are captured accurately and translated into complete and supportable billing information.

Fiscal Year 2027 should also continue emphasizing workforce training, supervisory development, and succession planning while preparing Stevedoring for new cargo handling equipment and Terminal Operating System implementation. These changes will require employees to adapt to new tools, reporting methods, and operating processes.

Modernization will change how Stevedoring performs and documents its work, but it does not change the fundamentals of safe supervision, disciplined execution, workforce readiness, accurate documentation, and accountability. Those fundamentals must remain the foundation of the division as new technology and equipment are introduced.

TERMINAL
Janice Flores, Terminal Superintendent
Year End Assessment

Terminal maintained continuity throughout Fiscal Year 2026 while supporting vessel operations, yard activity, customer service, cruise operations, staffing transitions, and infrastructure projects affecting the terminal. Permanent staffing actions, cross training, and leadership development strengthened operational resilience and helped preserve continuity during periods of changing operational demand.

The division's role remains central to the coordination of cargo movement across the terminal. Effective terminal management requires continued attention to yard conditions, customer access, operational support, infrastructure readiness, and coordination with Operations, Stevedoring, Transportation, Equipment Maintenance, Facilities, Harbor Master, and other supporting divisions.

Areas of Progress

- Maintained uninterrupted terminal support across vessel, yard, customer, and cruise activity while adapting to changing operational demands.
- Continued cross training, succession planning, and workforce development to strengthen staffing flexibility and operational continuity.
- Supported infrastructure improvements affecting terminal operations while maintaining coordination with Operations, Stevedoring, Transportation, Equipment Maintenance, Facilities, and other supporting divisions.

Areas Requiring Continued Attention

- Completing terminal infrastructure needs that directly affect safe and efficient operations, including reefer electrical capacity and restoration, lighting, bumper stopper repairs, waterline work, and yard improvements.

- Strengthening coordination and follow through on infrastructure projects so identified terminal needs move from planning through completion.
- Continuing workforce succession, cross training, and staffing development to preserve operational continuity as terminal systems and equipment modernize.

General Manager's Feedback

Terminal continued to demonstrate resilience and stability throughout Fiscal Year 2026. Fiscal Year 2027 should maintain the division's emphasis on cross training, succession planning, and workforce flexibility while ensuring that outstanding infrastructure needs affecting terminal operations are brought to completion.

Items such as reefer electrical capacity, lighting, bumper stoppers, waterlines, and yard improvements may appear modest when compared with a major crane or wharf project, but collectively they determine whether the terminal operates safely, efficiently, and reliably every day. These projects therefore require the same discipline in coordination, follow through, and completion as larger capital initiatives.

As the Port modernizes its equipment and operating systems, Terminal should continue preparing its workforce and operating practices for that transition while preserving the fundamentals of safe operations, responsive customer service, and effective coordination across the waterfront.

TRANSPORTATION
Ray Santos, Transportation Superintendent
Year End Assessment

Transportation continued supporting cargo movement, equipment deployment, fuel administration, fleet management, and operational logistics throughout Fiscal Year 2026. The division's work remained closely connected to daily terminal operations and the availability of vehicles and support equipment needed across the Port.

Expanded fuel tracking strengthened accountability over fuel consumption, vehicle and equipment usage, and operating costs. This provides a stronger foundation for fleet planning, maintenance coordination, replacement decisions, and long term stewardship of Port assets.

Areas of Progress

- Strengthened fleet and fuel accountability through improved monitoring of vehicle, equipment, and fuel usage.
- Supported acquisition and replacement of operational vehicles while maintaining transportation and logistics support for vessel and cargo operations.
- Continued cross training, succession planning, and coordination with Operations and Equipment Maintenance to strengthen workforce flexibility and operational continuity.

Areas Requiring Continued Attention

- Advancing a more disciplined vehicle replacement and asset disposal program for aging and surveyed equipment.

- Continuing fuel consumption monitoring and overtime management to strengthen operating cost accountability.
- Maintaining workforce certifications, cross training, and succession planning to preserve the technical capacity needed to support Port operations.

General Manager's Feedback

Transportation should continue managing the Port's fleet from a life cycle perspective. Vehicle acquisition, deployment, fuel use, maintenance, replacement, procurement, and disposal are connected responsibilities and should be planned as part of a single asset management approach.
Stronger long term planning should reduce emergency replacement requests, improve visibility over operating costs, and allow the Port to align fleet needs with available funding and operational priorities. Fuel tracking and equipment usage data should continue informing these decisions so that replacement is based on condition, utilization, cost, and operational necessity rather than age alone.
Fiscal Year 2027 should also continue emphasizing timely disposal of surveyed assets, workforce certifications, cross training, and succession planning. The objective is to maintain a reliable and accountable transportation function that supports daily operations while protecting the Port's investment in its fleet over the full useful life of each asset.

EQUIPMENT MAINTENANCE
Kin Pangelinan, Equipment Maintenance Manager
Shine San Agustin, Assistant Equipment Maintenance Manager
Year End Assessment

Few divisions faced greater operational pressure during Fiscal Year 2026. Equipment Maintenance continued supporting an aging fleet of cargo handling equipment while responding to breakdowns, preventive maintenance requirements, parts shortages, workforce limitations, and the continuous demands of a twenty four hour seaport.

The August Top Loader shortage brought these vulnerabilities into sharp focus. Equipment Maintenance personnel worked under significant pressure to restore units to service while the Port simultaneously managed gate activity, vessel schedules, cargo movement, customer concerns, and the wider operational consequences of reduced equipment availability. Their response helped restore operating capacity during a critical period.

At the same time, the experience reinforced that equipment reliability cannot depend principally on extraordinary recovery efforts after equipment becomes unavailable. The division's dashboard and equipment tracking tools continued providing valuable visibility into equipment status, repairs, costs, work orders, and maintenance activity. Fiscal Year 2027 should build on that foundation by using this information more systematically to anticipate maintenance requirements, identify recurring failures, strengthen preventive maintenance, improve parts planning, and support equipment replacement and life cycle decisions.

Areas of Progress

- Continued use and refinement of the Equipment Maintenance Dashboard to improve visibility over equipment status, work orders, repair activity, and maintenance costs.
- Restored critical cargo handling equipment during periods of operational disruption, including the return of gantry cranes and Top Loaders to service.
- Continued preventive maintenance and repair activity while strengthening coordination with Finance, Procurement, Operations, and Transportation.
- Supported development of Fiscal Year 2027 initiatives intended to improve equipment reliability, maintenance capacity, parts planning, and long term asset stewardship.

Areas Requiring Continued Attention

- Strengthening preventive maintenance discipline, parts availability, critical spares planning, and internal maintenance of equipment assigned to the division.
- Addressing skilled trade staffing, training, vendor support, and technical capacity needed to maintain aging and increasingly complex cargo handling equipment.
- Expanding the use of maintenance technology and equipment data to support condition monitoring, recurring failure analysis, work planning, and management accountability.
- Developing a more disciplined life cycle approach to equipment stewardship, including maintenance planning, replacement forecasting, and protection of new equipment from the first day it enters service.

General Manager's Feedback

The division's employees deserve recognition for the extraordinary effort required to maintain cargo handling equipment that has exceeded or is approaching the end of its intended service life. Their work during periods of equipment disruption demonstrated both technical capability and commitment to maintaining Port operations under difficult conditions.

At the same time, Fiscal Year 2026 demonstrated that extraordinary effort cannot substitute indefinitely for a stronger and more deliberate maintenance system. The objective must be to reduce the frequency with which the organization depends on emergency recovery by strengthening preventive maintenance, parts planning, technical support, condition monitoring, and management accountability before equipment becomes unavailable.

For Fiscal Year 2027, the Port has advanced several initiatives intended to improve equipment reliability and maintenance capacity. These include development of a critical spare parts strategy, consideration of vendor managed inventory approaches where appropriate, greater use of maintenance management technology and equipment data, continued equipment replacement planning, and expansion of performance-based maintenance support to additional cargo handling equipment, subject to Guam Procurement Law and the authority approved through the Fiscal Year 2027 budget process.

These initiatives are intended to supplement, not replace, the Port's workforce. The objective is to provide our employees with additional technical capacity, specialized support, better access to parts and information, and stronger tools for maintaining increasingly complex equipment while preserving clear internal accountability for the condition of Port assets.

Equipment stewardship must also begin when equipment is acquired, not when it begins to fail. The Port is preparing to invest approximately $60 million in new ship to shore cranes, along with substantial additional investment in cargo handling and support equipment. Those assets must enter service with maintenance plans, critical spare parts, training requirements, documentation, vendor support, and life cycle expectations already established.

Fiscal Year 2027 should therefore mark a transition from managing individual equipment failures to managing the reliability and life cycle of the Port's entire equipment fleet. The measure of success will not simply be how quickly equipment can be repaired after a breakdown, but how effectively the organization prevents avoidable failures, protects its investment, and maintains the equipment availability necessary to support reliable Port operations.

FACILITIES MAINTENANCE
Alex Aflague, Facilities Maintenance Manager
Year End Assessment

Facilities Maintenance continued supporting the buildings, utilities, work areas, electrical systems, drainage, fire protection systems, air conditioning, grounds, and other essential infrastructure that collectively sustain daily Port operations. The division advanced several facility improvements while continuing the routine maintenance work necessary to keep the Port safe, functional, and operational.

Because many of these systems receive little attention until they fail, Facilities Maintenance plays an important preventive role in protecting day to day continuity. Succession planning also remained an important focus through acting assignments, cross training, and employee development intended to preserve institutional knowledge and strengthen supervisory capacity.

Areas of Progress

- Continued maintenance of critical facility systems, including fire protection, electrical infrastructure, drainage, air conditioning, wash rack systems, and other essential support facilities.
- Completed and advanced workplace and infrastructure improvements while maintaining operations despite vehicle, staffing, and supply constraints.
- Continued acting leadership assignments, cross training, and employee development to strengthen supervisory capacity and succession planning.
- Supported modernization and capital initiatives requiring coordination with Engineering, Planning, and other divisions.

Areas Requiring Continued Attention

- Strengthening preventive maintenance and ensuring sufficient operational supplies and resources to sustain essential facility systems.

- Replacing aging utility vehicles and completing outstanding facility improvement projects that directly affect daily operations.
- Continuing succession planning and employee development to preserve institutional knowledge and supervisory continuity.
- Improving coordination with Engineering and Planning as modernization projects move from design and construction into long term facility maintenance and operational responsibility.

General Manager's Feedback

Facilities Maintenance performs work that often receives little attention until a system fails. That makes disciplined preventive maintenance especially important. The division should continue protecting the systems already in place while preparing for new infrastructure that will eventually become part of its long term maintenance responsibility.

The development of employees through acting Building Maintenance Leader assignments, cross training, and other succession efforts should continue. These opportunities preserve institutional knowledge, strengthen supervisory capacity, and reduce dependence on any one individual.

Resource limitations also require careful prioritization. Eligible grant opportunities for replacement of utility vehicles and other support needs should continue to be pursued where legally and programmatically appropriate, subject to Procurement and Legal review.

Fiscal Year 2027 should also place greater emphasis on coordination with Engineering and Planning before new facilities and infrastructure are completed and turned over for operation. Maintenance requirements, staffing needs, spare parts, warranties, technical documentation, and long term operating costs should be considered during project development, not after construction is complete.

Most importantly, Facilities Maintenance must remain focused on maintaining safe, practical, and productive work environments throughout the Port. Modernization is not limited to major cranes, wharves, or capital projects. It also means ensuring that the facilities and systems employees depend upon every day remain functional, reliable, and properly maintained.

FINANCE
Jojo Guevara, Chief Financial Officer
Year-End Assessment

Finance continued providing the financial discipline required to support daily Port operations while also sustaining one of the largest modernization and capital investment programs in the Port's history. Fiscal Year 2026 continued the Port's record of clean financial reporting, sound fiscal management, and careful stewardship of public resources.

The Port maintained investment-grade credit quality, with Moody's reaffirming its Baa2 rating and stable outlook for the sixth consecutive year. This continued external validation reflects the importance of maintaining strong financial controls, disciplined budgeting, responsible debt management, and credible long-term financial planning.

The Port also continued managing its debt obligations and advanced important work associated with the cash defeasance of its 2018 Revenue Bonds, further strengthening the organization's financial position and flexibility as significant capital investments move forward.

Financial performance remained generally stable throughout the fiscal year. At the same time, the pending tariff adjustment continued before the Public Utilities Commission and remains important to addressing the structural imbalance between existing rates and the Port's current labor, maintenance, operating, and capital requirements. Finance therefore continued balancing near term financial performance with the longer term responsibility of ensuring that the Port's revenue structure can sustainably support its operations and modernization commitments.

Areas of Progress

- Maintained sound financial controls, audit readiness, clean audit performance, and investment-grade credit quality while continuing responsible debt management and defeasance activity.
- Expanded EnterpriseOne capabilities, automation, dashboards, and financial reporting to improve visibility, efficiency, and management decision making.
- Supported major federal grants, infrastructure projects, tariff analysis, and other financial requirements associated with the Port's modernization program.
- Continued strengthening revenue administration through coordination on lease billing, accounts receivable, tariff based activity, and documented storage relief associated with Port operational delays.

Areas Requiring Continued Attention

- Completing the pending tariff adjustment and addressing the structural labor charge out imbalance necessary to support sustainable operations.
- Strengthening job cost accounting, grant reimbursement documentation, revenue collection, lease billing, and accounts receivable coordination.
- Developing the financial capacity needed to support major capital projects, equipment replacement, and other long term modernization requirements.
- Continuing long term capital financing and financial planning so that infrastructure and equipment commitments remain aligned with the Port's fiscal capacity.

General Manager's Feedback

Finance remains one of the foundations upon which the Port's modernization effort depends. Our ability to pursue major capital investments, maintain federal confidence, protect our bond rating, respond to emergencies, and support daily operations depends on sustained financial credibility.

That credibility was not created overnight and must not be taken for granted. It reflects years of disciplined budgeting, clean financial reporting, responsible debt management, stronger internal controls, and careful stewardship of Port resources.

The pending tariff adjustment remains necessary because the Port cannot indefinitely absorb structural increases in labor, maintenance, infrastructure, regulatory, and capital costs while relying on outdated rate assumptions. Finance should continue monitoring revenue performance, supporting the regulatory process, and preparing the organization for implementation of any tariff decision ultimately approved by the Public Utilities Commission.

Fiscal Year 2027 will also require Finance to remain closely engaged in capital planning, equipment replacement, grant administration, job cost accounting, and long term financing. Major infrastructure commitments must remain aligned with the Port's financial capacity, and management should have clear visibility over both the immediate and long term fiscal consequences of those investments.

The division should also continue working closely with Commercial while maintaining appropriate separation of duties. Commercial is responsible for identifying lease obligations, billable activity, and tenant compliance requirements. Finance is responsible for invoicing, receivables, collection accounting, and financial reporting. Clear separation of these responsibilities strengthens internal control while requiring close coordination between the two divisions.

The objective is not simply to preserve a strong financial position on paper. It is to ensure that the Port has the financial capacity, controls, and credibility necessary to operate reliably, invest responsibly, and carry its modernization program through completion.

PLANNING
Joe Javellana, Chief Planner
Year End Assessment

Planning continued serving as the Port's principal division for federal funding, long range planning, environmental coordination, and external program management. Its work remained central to connecting the Port's operational and infrastructure priorities with available federal resources, regulatory requirements, and long term institutional objectives.

During Fiscal Year 2026, the division supported a wide range of grant programs and federal initiatives, including the ship to shore crane replacement program, Clean Ports Program, wharf rehabilitation, fuel infrastructure, FEMA recovery, marina improvements, resiliency projects, and military readiness initiatives.

As the Port's modernization program expands, Planning's role increasingly requires more than identifying funding opportunities. The division must continue ensuring that projects are strategically justified, aligned with Port priorities, positioned for federal support, and coordinated early with CIP and Engineering, Finance, Legal, Procurement, and the operating divisions that will ultimately use and maintain the resulting assets.

Areas of Progress

- Continued administration of major federal grants and supported approximately $60 million in federal funding for replacement of the Port's ship to shore gantry cranes.

- Advanced implementation of the Clean Ports Program and continued development of resiliency, fuel, wharf, marina, and other infrastructure initiatives.
- Maintained federal agency, military, environmental, and grant compliance coordination necessary to support the Port's modernization and readiness priorities.
- Continued supporting the Port Master Plan, long range planning, and development of future capital and infrastructure needs.

Areas Requiring Continued Attention

- Strengthening grant execution, federal reimbursement, environmental approvals, and other requirements necessary to move funded projects from award into implementation.
- Improving early coordination with Finance and CIP and Engineering so that strategic priorities, available funding, technical scope, cost, schedule, and delivery requirements are aligned before projects advance.
- Maintaining a disciplined Port wide process for prioritizing capital needs in accordance with operational requirements, Board priorities, resiliency, readiness, and available funding.
- Continuing pursuit of federal and other funding opportunities for critical equipment needs, including Top Loaders and other cargo handling assets that directly support terminal reliability.

General Manager's Feedback

Planning's role should become increasingly clear as the Port's capital program grows. Planning should lead the identification of strategic need, grant opportunities, federal coordination, environmental requirements, external funding obligations, and long range capital priorities. CIP and Engineering should own technical scope, design, cost, schedule, construction support, project controls, and delivery. Finance should own financial capacity, funding controls, matching requirements, expenditures, capitalization, and financial reporting.

The Port should not blur these responsibilities. Clear ownership improves accountability and reduces the risk that important tasks fall between divisions. Planning should maintain a Port wide long range capital needs inventory in coordination with CIP and Engineering and Finance so that proposed projects are evaluated against operational need, Board priorities, available funding, resiliency, military readiness, regulatory requirements, and other institutional objectives.

The Port Master Plan should remain an important guide to long range development, but it should not be interpreted as limiting the Board or management from responding to legitimate needs that arise after the plan is adopted. Operational conditions, federal opportunities, regulatory requirements, security concerns, equipment needs, and infrastructure vulnerabilities will continue to evolve. Our planning framework must be disciplined enough to provide direction while remaining flexible enough to respond when circumstances change.

Fiscal Year 2027 should therefore focus on strengthening the connection between long range planning, available funding, and actual project delivery. Success should not be measured solely by the number of grants pursued or projects identified, but by how effectively strategic needs are converted into funded, technically sound, financially supportable, and completed investments that advance the Port's mission.

CAPITAL IMPROVEMENT PROJECTS AND ENGINEERING
Clarence Lagutang, CIP and Engineering Manager
Year End Assessment

CIP and Engineering continued managing a growing portfolio of infrastructure projects while serving as the Port's principal internal engineering, technical, and construction management resource. Several projects advanced or were completed during Fiscal Year 2026, while the division continued supporting design, inspections, cost development, contractor coordination, construction activity, and other technical requirements across the Port.

The division also supported projects undertaken through lease credit offsets, where approved tenant funded improvements to Port property may be credited against lease obligations. These arrangements can provide the Port with a practical means of advancing needed improvements without relying exclusively on direct capital expenditures, but they require the same level of technical review, documentation, cost validation, inspection, and accountability expected of any other Port capital project.

At the same time, the increasing scale and complexity of the Port's capital program reinforced the need to move beyond managing projects individually toward a more disciplined Port wide capital governance structure. This includes federally funded projects, locally funded projects, and improvements advanced through lease credit offsets. Regardless of the funding mechanism, the Port must have a clear process governing how projects are identified, prioritized, scoped, funded, designed, procured where applicable, monitored, modified, accepted, and ultimately brought to completion.

Fiscal Year 2026 therefore helped clarify the division's role within that structure. CIP and Engineering should remain accountable for the technical integrity and delivery of capital projects while coordinating closely with Planning on strategic alignment and federal requirements, Finance on funding and financial controls, Commercial on lease obligations and credit administration, Procurement and Legal on acquisition and contractual requirements, and the operating divisions that will ultimately use and maintain the completed infrastructure.

Areas of Progress

- Continued management of active construction projects, engineering inspections, infrastructure assessments, contractor coordination, and project tracking.
- Advanced wharf, fuel, marina, resiliency, and other infrastructure initiatives while supporting federally funded and locally supported capital projects.
- Supported technical review and oversight of improvements advanced through lease credit offsets, including project scope, cost, construction, inspection, and completion requirements.

- Continued strengthening technical oversight of project scope, construction activity, infrastructure condition, and coordination among Engineering, Planning, Finance, Commercial, Procurement, Legal, contractors, and operating divisions.

Areas Requiring Continued Attention

- Establishing a clearer capital project governance process covering project initiation, prioritization, scope, cost, schedule, risk, change management, procurement, completion, and acceptance regardless of the project's funding mechanism.
- Formalizing governance for lease credit offset projects so that eligibility, scope, cost, authorization, construction, inspection, completion, and final credit are independently verified before any financial offset is recognized.
- Strengthening early cost and schedule forecasting, contract administration, contractor performance monitoring, and documentation throughout the life of each project.
- Improving coordination with Planning, Finance, Commercial, Procurement, and Legal so technical delivery remains aligned with strategic priorities, funding requirements, lease obligations, financial controls, and applicable law.
- Preparing the division for the scale and complexity of the ship to shore crane replacement program and other major capital investments that will require stronger internal project controls and technical capacity.

General Manager’s Feedback

At midyear, I encouraged development of a formal cross divisional project review and approval structure. That framework was not sufficiently advanced during the remainder of the fiscal year. Accordingly, Fiscal Year 2027 will move this responsibility into a formal management directed capital governance process, including development of a defined CIP process governing how capital projects are identified, evaluated, prioritized, approved, funded, assigned, monitored, modified, and brought to completion.

The Board approved Capital Improvement Program will establish the institutional framework for this process. The Port Master Plan will remain an important guide, but it will not be treated as an absolute limitation on the Board’s ability to respond to legitimate operational, regulatory, resiliency, security, or infrastructure needs that arise after the plan is adopted.

The CIP process should establish clear decision points and responsibilities from project concept through final acceptance. CIP and Engineering will remain responsible for technical scope, design, estimates, schedules, procurement support, construction management, project controls, inspection, and delivery. Planning will remain responsible for strategic alignment, grant development, federal coordination, environmental requirements, and external funding obligations. Finance will remain responsible for financial capacity, funding availability, expenditures, matching requirements, capitalization, and financial reporting.

Commercial should also be incorporated into this process where capital improvements arise through leases or lease credit offsets. Improvements proposed for credit against lease obligations must be subject to defined technical, financial, legal, and administrative controls before any credit is recognized. CIP and Engineering should verify scope, cost, construction, inspection, and completion, while Finance, Commercial, Legal, and other appropriate divisions perform their respective review and approval responsibilities.

Legal and Procurement must be engaged early enough to ensure project development and delivery remain consistent with applicable law, procurement requirements, contractual obligations, and funding conditions. Early involvement is particularly important as the Port moves into larger and more complex projects where decisions made during initial project development can materially affect cost, schedule, procurement strategy, and long term risk.

The anticipated Owner's Agent Engineer, or OEA, funded through the Fiscal Year 2027 capital program should serve as the Port's principal Modernization Support resource. The OEA is intended to supplement the Port's technical, engineering, and project management capabilities as we implement the expanded CIP program and undertake an unprecedented level of infrastructure modernization.

This approach provides access to specialized engineering and project management expertise during a period of significant capital investment without automatically creating permanent positions for expertise that may only be required while major modernization projects are underway.

Given that the OEA will provide Modernization Support specifically for this purpose, CIP and Engineering should explain why it continues to recommend additional permanent in house engineering positions. The division should identify what functions cannot reasonably be performed by existing staff, supplemented by the OEA and other project specific professional services, and why those functions justify permanent staffing beyond the current modernization program.

Any request for additional permanent engineering positions should therefore be supported by a clear workload analysis, defined responsibilities, anticipated utilization beyond the current capital program, fiscal impact, and an explanation of how the proposed positions would differ from or complement the Modernization Support provided through the OEA.

The larger objective is to establish a repeatable institutional process that does not depend on the General Manager personally moving individual projects forward. Every capital project should have a clearly identified need, funding source, responsible division, technical scope, schedule, decision record, accountable project owner, and defined path to completion.

Ultimately, the success of the Port's capital program will be measured by projects that are properly planned, legally and financially sound, technically defensible, and successfully completed, not by the number of meetings, reports, or concepts produced.

PROCUREMENT AND SUPPLY
Annie L.G. Sablan, Acting Procurement and Supply Manager
Year End Assessment

Procurement continued supporting daily operations and an increasing volume of capital, maintenance, technology, security, and federally funded procurement activity throughout Fiscal Year 2026.

During the fiscal year, the division completed seven formal procurement awards, consisting of five Invitations for Bid for goods and services, one construction procurement, and one Request for Proposal. At year end, another eleven formal solicitations remained in process, including six Invitations for Bid, one construction procurement, and four Requests for Proposal. The division also supported smaller operational acquisitions and made use of the Simplified Acquisition Threshold and Micro Purchase Threshold authorities approved during Fiscal Year 2026.

Procurement also continued strengthening its administrative systems. All purchase order files through Fiscal Year 2026 were digitized, building upon earlier records digitization efforts and improving document accessibility, transparency, institutional recordkeeping, and audit readiness.

The volume and complexity of these activities demonstrate how Procurement's role is changing as the Port moves further into modernization and capital project implementation. Procurement must continue supporting daily operational requirements while simultaneously preparing for larger, more complex procurements involving infrastructure, equipment, technology, professional services, and federal funding.

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General Manager's Feedback

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The volume and complexity of these activities demonstrate how Procurement's role is evolving as the Port moves further into modernization and capital project implementation. The division must continue meeting daily operational requirements while developing the capacity, planning discipline, and coordination necessary to support increasingly complex procurements involving infrastructure, equipment, technology, professional services, and federal funding.

MARKETING AND COMMUNICATIONS
Bernadette Sterne, Marketing and Communications Manager
Year End Assessment

Marketing and Communications maintained a substantial communications workload throughout Fiscal Year 2026 with a two person team. Through August 10, the division had produced nine employee newsletters totaling 167 pages and issued 58 official news releases. The division also completed the Port's Legacy Book and provided extensive communications support during Super Typhoon Bavi, including timely updates concerning Port conditions, readiness, vessel activity, cargo movement, operational changes, and recovery efforts.

Beyond these measurable outputs, Marketing continued supporting executive and Board communications, media relations, social media, photography, website management, event coordination, institutional publications, employee recognition, federal initiatives, infrastructure modernization, national security messaging, and community engagement. The division's work increasingly serves as an institutional record of the Port's operations, accomplishments, challenges, and modernization efforts.

The division also assumed lead responsibility for the design and coordination of the annual Citizen Centric Report, further expanding its role in public accountability and institutional reporting.

Fiscal Year 2026 demonstrated that effective communication is not simply a public relations function. It is part of governance, transparency, employee engagement, emergency response, and public trust. As the Port's modernization program expands, Marketing and Communications will remain responsible for ensuring that employees, stakeholders, government partners, and the public understand not only what the Port is doing, but why those actions matter.

Areas of Progress

- Maintained a substantial communications output with a two person team, including nine employee newsletters totaling 167 pages, 58 news releases through August 10, completion of the Port Legacy Book, and continued development of the Citizen Centric Report.
- Provided extensive emergency communications during Super Typhoon Bavi and continued timely public information concerning Port operations, infrastructure, resiliency, employees, and national security responsibilities.
- Continued executive and Board communications support, website management and compliance, media relations, social media, photography, event coordination, and institutional publications.
- Strengthened the Port's institutional record and public accountability through continued reporting, employee communications, and documentation of major operational and modernization initiatives.

Areas Requiring Continued Attention

- Improving the timely flow of information from division heads, including advance notice of accomplishments, emerging issues, events, and significant milestones.
- Strengthening publication planning, digital communications, and prioritization of competing communications requirements.
- Maintaining sufficient capacity to support emergency communications, executive and Board needs, public information, employee engagement, and institutional reporting.
- Evaluating resource requirements associated with sustaining this workload through a two person communications team as the Port's modernization and public reporting responsibilities continue to expand.

General Manager's Feedback

Marketing and Communications continues performing substantially beyond the expectations normally associated with a small communications office. Its workload now extends well beyond traditional public relations and includes executive communications, Board support, emergency messaging, employee communication, institutional publications, public accountability, and documentation of the Port's modernization efforts.

The principal organizational issue remains information flow. Division heads must not wait for the General Manager to identify accomplishments, milestones, emerging issues, operational changes, or events before Marketing is informed. Communication is an organizational responsibility. Each division should ensure that significant information is provided early enough for Marketing to prepare accurate, timely, and coordinated communications.

Fiscal Year 2027 should continue strengthening publication scheduling, the Citizen Centric Report, newsletters, emergency communications, digital platforms, employee communication, and institutional reporting. As the Port's modernization program expands, Marketing should also remain closely integrated into major projects so that public and employee communications are planned alongside implementation rather than developed after decisions have already been made.

Any request for additional staffing or contractual support should continue to be evaluated through the normal budget process against documented workload, service requirements, and organizational priorities. The objective should be to ensure the division has sufficient capacity to meet its responsibilities while maintaining the same discipline applied to staffing decisions across the Port.

HUMAN RESOURCES
Shawn B. Cepeda, Personnel Services Administrator
Year End Assessment

Human Resources continued administering the Port's personnel system while supporting recruitment, benefits, workforce development, personnel actions, performance management, temporary assignments, and succession planning.

The division also continued implementing management reforms intended to strengthen merit principles, consistency, confidentiality, accountability, and defensibility in personnel decision making. These efforts included continued attention to recruitment controls, practical assessments, certification tracking, temporary assignments, workforce planning, and performance evaluation requirements.

Fiscal Year 2026 reinforced that Human Resources is not simply a processing function. Its role is to help ensure that personnel actions are legally supportable, consistently applied, properly documented, and aligned with the workforce needs of the organization. As the Port prepares for new equipment, technology, and capital investment, Human Resources will remain central to developing the workforce capacity needed to support modernization while preserving disciplined staffing and merit based administration.

Areas of Progress

- Continued pre audit review of personnel actions and maintained standardized recruitment controls to strengthen consistency, merit principles, and defensibility.
- Continued practical assessments, certification tracking, apprenticeship initiatives, workforce development, and succession planning to support operational readiness and technical capacity.
- Advanced temporary staffing procurement requirements and continued development of personnel capacity needed to support critical Port operations.
- Maintained disciplined workforce planning and personnel oversight while supporting recruitment, performance management, temporary assignments, and organizational continuity.

Areas Requiring Continued Attention

- Completing the temporary staffing services procurement and addressing workers compensation insurance requirements.
- Strengthening performance evaluation compliance, certification tracking, workforce discipline, and succession planning across the organization.
- Recruiting necessary Personnel Specialist capacity and pursuing appropriate personnel support where justified and approved through the Board and budget process.
- Maintaining disciplined vacancy controls so staffing decisions remain tied to operational necessity, technical requirements, safety, security, and institutional continuity rather than simply filling authorized positions.

General Manager's Feedback

The Port should not measure Human Resources performance by how many positions are filled. Our objective is not to maximize hiring. It is to maintain the workforce necessary to operate safely, effectively, and responsibly while preserving the flexibility and fiscal discipline needed to support the organization's long term priorities.

Since Fiscal Year 2020, management has maintained disciplined vacancy controls to prevent staffing from expanding simply because positions exist on the staffing pattern. That approach should continue. Recruitment should remain focused on positions that directly support operations, equipment reliability, safety, security, technical capacity, financial controls, succession, and institutional continuity.

As the Port modernizes, workforce planning must also become more deliberate. New cargo handling equipment, technology, cybersecurity requirements, capital projects, and operating systems will change the skills the organization requires. Human Resources should work with division heads to identify those needs early, distinguish permanent requirements from temporary or project specific needs, and align recruitment, training, certifications, apprenticeships, and succession planning accordingly.

Temporary staffing services should supplement critical operational needs where appropriate, not become a substitute for responsible workforce planning or permanent staffing where a continuing institutional need clearly exists. The revised scope should preserve certification and practical testing requirements for equipment operators, mechanics, crane related positions, and other technical classifications where demonstrated competence is necessary.

The measure of success should therefore be whether the Port has the right people, with the right qualifications and training, in the positions necessary to carry out its mission. Disciplined staffing is not about keeping positions vacant. It is about ensuring that every staffing decision serves an identifiable operational or institutional need.

GENERAL ADMINISTRATION
Annette Mafnas, General Administration Manager
Year End Assessment

General Administration continued supporting records management, administrative routing, procurement support, institutional documentation, digitization, policy tracking, and cross divisional coordination throughout Fiscal Year 2026.

The division's work increasingly supports a larger governance objective: ensuring that the Port's institutional record is organized, retrievable, complete, and defensible. Decisions, approvals, policies, contracts, Board actions, personnel records, and other significant institutional documents must be preserved in a manner that allows the Port to establish what occurred, what authority supported the action, who was responsible, and whether the matter was carried through to completion.

As the Port continues to modernize, General Administration should remain central to reducing fragmented paper based processes, improving document control, strengthening records retention, and ensuring that institutional knowledge survives changes in leadership and personnel.

Areas of Progress

- Continued document digitization, records retention work, and improved accessibility of institutional records.
- Strengthened administrative tracking, routing, and documentation to improve visibility and accountability over pending actions.
- Supported policy review, archive development, and preservation of significant institutional records.
- Continued audit, procurement, and administrative support while improving coordination across divisions.

Areas Requiring Continued Attention

- Advancing centralized document management and standardized records practices across the Port.
- Reducing manual processes and improving the timeliness of administrative routing, tracking, and follow through.
- Strengthening policy archive management so current and historical directives can be readily identified and retrieved.
- Ensuring major management decisions, Board actions, approvals, and other significant institutional records are preserved in a complete and accessible form.

General Manager's Feedback

Records management is governance. An institution that cannot readily establish what decision was made, who approved it, what authority supported it, what action was required, and whether that action was implemented cannot maintain consistent accountability. General Administration should therefore continue moving the Port away from fragmented paper based processes toward organized electronic records management, standardized document control, and reliable institutional archives. Major management decisions, Board actions, policies, contracts, approvals, and other significant records should be preserved in a manner that allows them to be readily retrieved and understood years after the original action occurred.

Fiscal Year 2027 should place greater emphasis on centralized document management, standardized records practices, policy archive management, and stronger tracking of administrative actions through completion. The objective is not simply to digitize paper. It is to create a durable institutional record that supports transparency, audit readiness, continuity, and accountability.

As leadership and personnel inevitably change over time, the Port should not have to rely on individual memory to understand why a decision was made or what remains outstanding. Institutional knowledge should reside in the organization itself.

SAFETY
Paul Salas, Safety Administrator
Year End Assessment

Safety continued providing compliance oversight, employee protection, environmental coordination, field engagement, safety equipment administration, and emergency preparedness support throughout Fiscal Year 2026.

The division also addressed matters requiring coordination with external emergency response partners. An initial Coast Guard related discrepancy involving emergency response capability ultimately required direct General Manager coordination with the Guam Fire Department to resolve. That experience underscored the importance of ensuring that critical emergency response arrangements are clearly defined, documented, and institutionalized before they are needed.

Safety's role therefore extends beyond inspections and compliance. The division must help ensure that operational risks are identified early, emergency responsibilities are understood, external support arrangements are dependable, and the Port can sustain essential safety functions even when key personnel are unavailable.

Areas of Progress

- Continued inspection, certification, environmental compliance, and safety equipment activities while increasing field presence across Port operations.
- Maintained emergency preparedness support and coordination with Operations and other divisions on workplace and operational safety requirements.
- Continued procurement and administration of safety equipment and other resources necessary to support employee protection and regulatory compliance.

Areas Requiring Continued Attention

- Building training redundancy so critical safety functions can continue when key personnel are unavailable.

- Strengthening waste disposal, surveyed equipment disposal, and related environmental and administrative follow through.
- Clarifying operational safety roles and responsibilities across divisions so accountability is understood before incidents occur.
- Improving documentation, tracking, and completion of identified safety actions and institutionalizing emergency response arrangements with external partners.

General Manager's Feedback

Fiscal Year 2026 reinforced the principle that critical safety functions cannot depend on one individual. Training, emergency response coordination, environmental compliance, inspections, certifications, and operational safety oversight must continue regardless of leave, vacancy, or competing assignments.

The discrepancy identified through Coast Guard coordination and ultimately resolved through direct General Manager engagement with the Guam Fire Department should be treated as an institutional lesson. The immediate issue was resolved, but the more important responsibility is ensuring that the underlying solution becomes part of the Port's established emergency preparedness framework.

Fiscal Year 2027 should therefore focus on building redundancy, documenting responsibilities, formalizing external response arrangements, and ensuring that managers and employees understand what actions are required before an emergency occurs.

The objective is straightforward. A safety issue that has already been identified and resolved should not require the same last minute executive intervention the next time it arises. The solution must become part of the system.

PORT POLICE
Jesse Mendiola, Port Police Chief
Roseanna Castro, Assistant Port Police Chief of Administration
Victor Camacho, Assistant Port Police Chief of Operations

Year End Assessment

Port Police continued maintaining law enforcement, access control, maritime security, cruise security, emergency response, patrol, and Facility Security Plan responsibilities throughout Fiscal Year 2026.

The division's responsibilities extend beyond daily security operations. Port Police also serves a critical institutional role in protecting the Port's compliance with federal maritime security requirements, coordinating with law enforcement and emergency response partners, and ensuring that security actions affecting Port property are properly authorized, documented, and consistent with the Port's Facility Security Plan.

As the Port expands infrastructure, modernizes security technology, and supports increasing federal and military activity, Port Police will remain central to balancing operational access, regulatory compliance, emergency readiness, and the protection of critical infrastructure.

The division expanded training, security technology planning, and federal coordination. The division also participated in work involving Hotel Wharf and H Wharf security requirements.

Areas of Progress

- Maintained Facility Security Plan compliance, patrol, access control, cruise security, and emergency response operations throughout the fiscal year.
- Expanded officer training, professional development, and coordination with federal and local law enforcement and emergency response partners.
- Advanced drone capability, security technology, and equipment planning to strengthen situational awareness and critical infrastructure protection.
- Secured federal Port Security Grant support and continued developing security initiatives aligned with the Port's operational and regulatory responsibilities.

Areas Requiring Continued Attention

- Managing staffing, overtime, leadership development, command communication, and succession to maintain consistent operational coverage and supervisory accountability.
- Strengthening documentation, equipment planning, and internal follow through on security related actions and requirements.
- Clarifying Facility Security Plan governance and completing H Wharf security implementation so actions affecting Port property are properly authorized, coordinated, and documented.
- Advancing hazardous duty compensation review through a documented assessment of statutory authority, fiscal impact, and an appropriate policy framework for Board consideration.

General Manager's Feedback

Port Police continued maintaining an effective security presence throughout Fiscal Year 2026. The H Wharf security matter, however, requires clarification. Management's direction had been to pursue the Port's Facility Security Assessment framework for H Wharf. The subsequent decision allowing Black Construction to advance its own Facility Security Assessment did not reflect the approach originally directed by the General Manager.

Accordingly, the resulting approval should not be characterized simply as a division accomplishment without acknowledging the underlying management direction and the need for clearer internal control over security actions involving Port property.

Fiscal Year 2027 should ensure that any Facility Security Assessment, Facility Security Plan amendment, or related security submission affecting Port property is coordinated through and authorized by the appropriate Port authority before an outside entity acts on behalf of the Port. The larger issue is governance. Security compliance must remain clearly tied to institutional authority, responsibility, and accountability.

The division should also carry forward development of a formal approach to hazardous duty compensation. This should begin with a documented assessment of statutory authority, fiscal impact, eligible duties or classifications, and appropriate governance controls, followed by development of a proposed Board policy for consideration through the Fiscal Year 2027 budget and governance process.

The objective in both areas is the same: security responsibilities and employee compensation policies should be governed through clear institutional processes that do not depend on informal arrangements or require repeated executive intervention.

INFORMATION TECHNOLOGY
Dennis Perez, Systems Manager
Year End Assessment

Information Technology continued maintaining the Port's core technology infrastructure while advancing cybersecurity, EnterpriseOne modernization, email modernization, wireless connectivity, and Terminal Operating System planning throughout Fiscal Year 2026.

The division's role is increasingly central to nearly every major modernization initiative underway at the Port. Financial systems, cargo operations, communications, cybersecurity, records management, equipment data, and future terminal operations all depend on reliable technology infrastructure and effective system integration.

As the Port moves further into implementation of new technology, Information Technology must continue balancing day to day system reliability with longer term modernization requirements. This includes protecting the Port's network, maintaining critical systems, supporting users, coordinating vendors, and ensuring that new platforms are integrated into Port operations with clear internal ownership and accountability.

Areas of Progress

- Continued EnterpriseOne modernization, email modernization, wireless connectivity, and other technology improvements supporting Port operations and administration.
- Strengthened cybersecurity protection and continued coordination with federal partners on cybersecurity preparedness, resilience, and risk reduction.
- Supported development of lease management technology and other digital tools intended to improve information management and operational efficiency.
- Continued Terminal Operating System planning and coordination as the Port prepares for a significant modernization of terminal operations and information systems.

Areas Requiring Continued Attention

- Establishing clear governance, internal ownership, and dedicated project accountability for Terminal Operating System implementation.

- Maintaining sufficient cybersecurity funding and technical capacity to protect increasingly interconnected Port systems and infrastructure.
- Continuing workstation replacement, EnterpriseOne support, and other core technology investments necessary to sustain reliable daily operations.
- Strengthening succession planning and staffing prioritization so critical technology knowledge and system responsibilities do not depend on a limited number of employees.

General Manager's Feedback

The Terminal Operating System is too important to be treated as an additional assignment absorbed informally by existing personnel. Earlier management discussions identified the need for a dedicated Port position within Information Technology to coordinate TOS implementation and serve as the internal link among Information Technology, Operations, Finance, Procurement, the selected vendor, and other affected divisions.

That follow through did not occur at the pace expected and ultimately required renewed direction from all parties involved. Fiscal Year 2027 should therefore formalize this responsibility and establish clear internal ownership of the project.

A technology project of this scale cannot succeed through vendor implementation alone. The Port must have an internal project owner responsible for coordinating requirements, resolving cross divisional issues, tracking decisions, preparing users, validating workflows, monitoring implementation, and ensuring that the system is integrated into actual Port operations.

The objective is not simply to install a new system. It is to ensure that the Terminal Operating System becomes an operational tool that improves cargo visibility, documentation, billing, accountability, coordination, and decision making across the organization.

Technology implementation succeeds when someone inside the institution owns the outcome. The Port should not rely on a vendor to determine how the system will ultimately function within our operations.

COMMERCIAL
Leo J. Espia, Person in Charge
Year End Assessment

Commercial continued operating under the organizational reset initiated in Fiscal Year 2025. The division made progress in lease file organization, inspections, tenant correspondence, marina matters, documentation, and coordination with Finance and Legal.

At the same time, Fiscal Year 2026 confirmed that several significant commercial matters continued to require direct and repeated intervention from the General Manager's Office before they advanced. These included matters involving Guam Shipyard, IP&E, Black Construction, Aqua World, Atlantis, TriStar, appraisal issues, and the Emerald lease.

The concern is not that complex commercial matters require executive involvement. Some will. The concern is whether assigned matters are being actively managed, unresolved issues are identified early, recommendations are developed, and transactions are carried through without repeated prompting or rediscovery by the General Manager.

Fiscal Year 2027 should therefore continue focusing on stronger ownership, earlier escalation of unresolved issues, clearer coordination with Finance and Legal, and more disciplined follow through from assignment through final action.

Areas of Progress

- Continued improvement of lease files, documentation, tenant communication, inspections, and marina oversight.
- Strengthened reconciliation and coordination with Finance concerning billing, receivables, and lease related financial matters.
- Continued coordination with Legal on lease documentation, tenant issues, property matters, and other commercial transactions requiring legal review.

Areas Requiring Continued Attention

- Strengthening ownership, timely escalation, and follow through on assigned commercial matters so significant transactions move forward without repeated executive intervention.
- Improving timely lease completion, lease structure, property boundary verification, appraisal administration, and documentation before matters advance for final review or approval.
- Strengthening tenant compliance, lease enforcement, revenue enhancement, and coordination with Finance to ensure the Port receives and protects the revenues and benefits required under its commercial agreements.
- Advancing marina utility and infrastructure matters through clearer assignment, coordination, and completion.

General Manager's Feedback

Commercial remains the division requiring the greatest improvement in management ownership and follow-through. The concern is not simply whether work is eventually completed. The concern is the extent to which significant commercial matters advance only after repeated intervention from the General Manager's Office.

That pattern is not sustainable. Commercial management must take ownership of assigned matters, identify unresolved issues early, coordinate with Legal and Finance, develop recommendations, and carry transactions through completion. The General Manager should not have to repeatedly rediscover unresolved problems within matters already assigned to the division.

The Emerald lease provides a current example. The matter was represented as substantially prepared and undergoing Legal review, yet significant issues remained unresolved, including the precise property boundaries and documentation relating to GPA interests or approval.

The concern is not that Legal requested additional information. Legal should request whatever is necessary to protect the Port. The concern is whether the assigned commercial process had sufficiently identified and resolved those issues before the matter was represented as ready for legal review.

Fiscal Year 2027 should therefore focus on stronger ownership, earlier escalation, better transaction preparation, and consistent follow through. Greater direct executive oversight of significant commercial transactions will remain necessary until the division demonstrates that assigned matters can move from identification through recommendation, review, approval, and completion without repeated intervention from the General Manager's Office.

The objective is not greater executive involvement as a permanent operating model. The objective is to develop a Commercial Division capable of managing its responsibilities with sufficient discipline, judgment, and accountability that such intervention becomes the exception rather than the rule.

HARBOR MASTER'S OFFICE
Chris Flores, Harbor Master
Year End Assessment

The Harbor Master's Office maintained vessel traffic coordination, berth scheduling, maritime communications, marina engagement, and federal coordination throughout Fiscal Year 2026.

The office demonstrated strong adaptability during storm recovery, navigational challenges, marina activity, and changing operational requirements. Its ability to coordinate vessel movements, communicate with carriers and federal partners, and adjust berth usage as conditions changed remained important to maintaining safe and efficient maritime operations.

As the Port enters a period of increased construction and modernization, the Harbor Master's Office will play an increasingly important role in balancing vessel access, berth availability, operational flexibility, and coordination with Operations, CIP and Engineering, Port Police, and the U.S. Coast Guard.

Areas of Progress

- Maintained safe vessel traffic management, berth coordination, and maritime communications throughout changing operational conditions and storm recovery.
- Sustained coordination with the U.S. Coast Guard and other maritime partners while supporting navigational safety and regulatory requirements.
- Advanced marina dredging, marina user engagement, and other efforts intended to improve access, usability, and waterfront conditions.
- Improved berth utilization while continuing cross-training and succession planning to strengthen operational continuity.

Areas Requiring Continued Attention

- Advancing marina infrastructure and dredging needs through coordinated planning, funding, and project execution.
- Strengthening berth planning and vessel scheduling, including development of more predictable vessel windows where operationally feasible.
- Maintaining close coordination with Operations, CIP and Engineering, and other affected divisions as major construction projects place additional demands on berth availability and vessel access.
- Continuing succession planning, cross-training, and development of internal operational depth within the Harbor Master's Office.

General Manager's Feedback

The Harbor Master's Office continued demonstrating the coordination and adaptability that complex maritime operations require. The resolution of longstanding navigational matters, continued marina engagement, and coordination with the U.S. Coast Guard and vessel operators reflect consistent follow through and sound operational judgment.

As construction and modernization activity increases, the Harbor Master's role in berth planning, vessel coordination, and maritime communication will become even more important. Major capital work may temporarily constrain berth availability or alter normal operating patterns, making early coordination with Operations, CIP and Engineering, Port Police, and affected carriers increasingly necessary.

The office should remain actively involved in evaluating predictable vessel windows and scheduling practices that improve planning and berth utilization without compromising the flexibility required by Guam's changing operating environment. Conditions will continue to shift based on vessel schedules, weather, construction activity, cargo demand, and operational priorities, so the objective should be disciplined planning combined with the ability to adjust quickly when circumstances change.

Fiscal Year 2027 should therefore continue emphasizing safe vessel movement, efficient berth utilization, marina stewardship, succession planning, and close coordination across the waterfront as the Port enters a more intensive period of infrastructure development.

FISCAL YEAR 2027 INSTITUTIONAL PRIORITIES

Fiscal Year 2027 should not be approached as a new beginning. It is the continuation of the modernization, stabilization, and governance work already underway.

The Port's priorities can be summarized simply:

Operate. Stabilize. Modernize.

Operate

The Port must continue providing reliable vessel, cargo, security, terminal, maintenance, financial, commercial, and administrative services every day. Operational performance remains the foundation upon which every other initiative depends.

Stabilize

Fiscal Year 2026 identified vulnerabilities that require continued management attention, particularly equipment reliability, maintenance capacity, workforce readiness, cybersecurity, revenue integrity, contract administration, and capital project governance. Fiscal Year 2027 must focus on converting the lessons of this year into stronger and more durable operating systems.

Modernize

The Port must continue advancing major investments in cranes, cargo handling equipment, the Terminal Operating System, cybersecurity, financial and maintenance technology, infrastructure, and other capital improvements.

Modernization, however, cannot be limited to physical assets and technology. It must also include the governance, accountability, workforce capability, maintenance systems, financial discipline, and institutional processes necessary to sustain those investments.

Operate. Stabilize. Modernize. is therefore not a new direction for Fiscal Year 2027. It is the next phase of work that has been deliberately built and advanced over the past seven and a half years.

CONCLUSION

Fiscal Year 2026 was productive, but it was not an easy year. The Port maintained operations while advancing major infrastructure investments, responding to severe weather, managing aging equipment, supporting regional recovery requirements, maintaining financial discipline, strengthening security, implementing personnel reforms, advancing technology, and preparing for a significantly larger capital and modernization program.

The year also exposed where our management systems must become stronger. We cannot build an institution that depends on the General Manager personally identifying every unresolved issue, rediscovering problems within assigned matters, or moving every stalled assignment forward. Executive oversight will always be necessary, but it cannot substitute for management ownership throughout the organization.

Leadership must exist at every level. Managers must own their responsibilities, identify issues early, coordinate across divisions, develop recommendations, implement decisions, and carry assignments through completion. Supporting divisions must work as parts of one institution rather than as separate organizations. Documentation must be maintained. Contracts must be administered and enforced. Equipment must be maintained throughout its life cycle. Projects must be properly governed and delivered. Revenues must be protected. Personnel decisions must remain disciplined and defensible. Institutional knowledge must be preserved.

Fiscal Year 2026 also reinforced that extraordinary effort cannot substitute indefinitely for strong systems. Employees repeatedly stepped forward during equipment failures, severe weather, emergency operations, and other difficult circumstances. That commitment deserves recognition. Our responsibility as management is to build systems that reduce how often extraordinary intervention is required.

That principle will guide Fiscal Year 2027. The Port will continue strengthening preventive maintenance, critical spare parts planning, capital project governance, contract administration, workforce succession, cybersecurity, revenue integrity, records management, and internal accountability. We will develop a defined CIP process for major capital investments, use the Owner's Agent Engineer as Modernization Support for the expanding capital program, continue preparing for Terminal Operating System implementation, and protect the substantial investments being made in cranes, cargo handling equipment, technology, and infrastructure.

Fiscal Year 2027 should therefore not be viewed as a new beginning. It is the next phase of work that has been deliberately built and advanced over the past seven and a half years.

Operate. Stabilize. Modernize.

Operate means maintaining the reliable daily services upon which Guam depends.

Stabilize means addressing the vulnerabilities identified through experience and converting lessons learned into stronger systems.

Modernize means investing not only in cranes, equipment, technology, and infrastructure, but also in the governance, workforce capacity, financial discipline, maintenance systems, and institutional processes necessary to sustain those investments.

Accountability is not about assigning blame. It is about knowing who is responsible, what was expected, what occurred, what remains unresolved, and what must happen next. Accountability builds credibility, and credibility builds public trust.

The infrastructure investments now underway will eventually transform the physical Port. Our responsibility is to ensure that the systems governing those assets become equally durable.

Modern infrastructure requires modern governance.

The strongest measure of our work will not be what any individual accomplished while serving here. It will be whether the systems, culture, infrastructure, financial discipline, institutional knowledge, and standards we established continue serving Guam long after we are gone.

That is the responsibility of stewardship.

We thank every employee, supervisor, superintendent. manager, each Deputy General Manager, and every member of the Board of Directors who contributed to the Port's work during Fiscal Year 2026. We also recognize Governor Lourdes A. Leon Guerrero, Lieutenant Governor Joshua F. Tenorio, and our legislative oversight Chair, Senator Jesse A. Lujan, for their continued support of the Port and its modernization, resilience, and operational priorities.

We further acknowledge former Board Chair Dorothy Harris for the leadership and continuity she provided during an important transformative period in the Port's work. Our progress has also depended on government and federal partners, Port users, contractors, tenants, carriers, labor, and other stakeholders who worked with us throughout the year.

Fiscal Year 2026 demanded a great deal from the organization. We kept the Port moving, worked through difficult conditions, addressed problems as they came, and continued laying the groundwork for what comes next. That work was shared across all divisions, and it deserves to be recognized. *Si Yu'os Ma'åse.*

Digital Copies to: Dominic Muna, Deputy General Manager for Operations
Pacifico Martir, Deputy General Manager for Administration and Finance
All Division Heads and Assistant Division Heads
Port Legal Counsel
All Port Employees

2018 Port Revenue Bonds Status Report
As of August 21, 2026

Bond Project	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Rehabilitation of "H" Wharf	$46,331,895.00	$1,740,063.86	$44,591,831.14	PO No. 17043-OF for $2,249,945.54 awarded to GHD Inc. New Contract Amount: $2,656,621.37 | PO No. 18140-OS was issued to Sumitomo Mitsui Construction Company, Ltd. for $46,331,895.00	Resolution No. 2024-01 authorized the PAG GM to temporarily pause H-Wharf construction, procure additional gantry cranes, and establish comprehensive strategic measures for port operational enhancement and financial reallocation. WSP finalized the design to ensure compliance with the latest engineering codes. **UPDATE:** Status Quo
Golf Pier Repairs and Improvements	$2,000,000.00	$372,147.93	$1,627,852.07	RFP No. 2019-02: A&E Design for $484,000.17 awarded to NC Macario	Golf Pier was rendered inoperable after Typhoon Mawar. The PAG along with its OAE have developed cost estimates. The PAG had received a FEMA determination for Golf Pier. On August 9, 2025, PAG submitted an appeal letter requesting reinstatement of eligibility for Permanent Work assistance related to damages sustained during Typhoon Mawar. **UPDATE:** The Guam Recovery Office submitted appeal letter to FEMA. Pending FEMA response/decision.
Waterline Replacement and Relocation	$6,000,000.00	$4,704,482.60	$1,295,517.40	RFP No. 2019-03 - A&E Design awarded to NC Macario PO No. 20723-OS for $4,837,223.18 BME & Sons Inc. (Outstanding balance to be drawn down from the New Administration Building)	Pipe installation along wharves F4 to F5 is ongoing. The first section of the new waterline near the fire water tank has been connected. Work has begun near the main gate to connect the new waterline and additional work that includes the installation of new fire hydrants to meet fire code standards. **UPDATE:** The contract extension has been approved through January 2027. Prep work for connecting to the new waterline is ongoing.
EQMR Building Repairs and Upgrades	$3,628,800.00	$3,628,800.00	$0.00	PO No. 18007OS for $3,980,000.00 awarded to JJ Global Service	The repair & paint work as well as lead based paint abatement has been completed. **UPDATE:** This project is complete.
Warehouse 1 Repairs	$2,000,000.00	$2,154,785.49	($154,785.49)	RFP No. 2019-03: A&E Design for $1,406,427.48 awarded to NC Macario **PO No. 20723-OS for $4,837,223.18 BME & Sons Inc.** **(Outstanding balance to be drawn down from the New Administration Building)**	The Construction IFB was published on November 25, 2024. The bid opening was held on February 5, 2025. Chipping and saw cutting exterior concrete spalling is complete and spall repair is at 40%. Electrical demolition is 80% complete, construction joint removal and cleaning is 70% complete, and joint repair is 65% complete. **UPDATE: Installation of electrical components and fire alarms is ongoing. Roof crack repair is complete and roof coating has begun.**
Other Priority Projects 1. Repair of F-1 Fuel Pier and wharves F-2, F-3, F-4, F-5, and F-6 waterfront facilities 2. Upgrade of the Port's IT system and integration of TOS	$4,980,745.00	$531,085.80	$4,449,659.20	See status	1. Please refer to MARAD RAISE - Wharves Service Life Extension Hardening of Wharves F2-F6 for more information on the Port Grant/Bond Monthly Update. 2. **UPDATE:** The TOS Upgrade procurement process is ongoing. Status Quo.
Other Priority Projects - EnterpriseOne Financial Management System	$2,500,000.00	$2,497,129.65	$2,870.35	See status	Module updates are ongoing for vessels and SSRs. An RFP for joint comprehensive support services with GPA, GIAA, and the lead agency GWA is ongoing. The PAG is also exploring additional applications such as employee self serve and dashboards. The PAG is also exploring preventative maintenance modules and content management. **UPDATE:** The PAG has moved from Oracle to DXE for customer support via a MOA with GWA. The PAG's RFP for DXE is still ongoing. Status Quo.
New Admin. Annex Building	$10,445,000.00	$0.00	$10,445,000.00	See status	Project is currently on hold pending Management decision. Engineering has been instructed to develop Scope of Work to repair concrete cracks and spalling and made a priority. **UPDATE:** Status Quo
Grand Total	**$77,886,440.00**	**$15,628,495.33**	**$62,257,944.67**		

Doc. No. 38GL-26-2853.*

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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

August 31, 2026

MEMORANDUM

To: Board of Directors

From: Rory J. Respicio, General Manager

Subject: Fiscal Year 2027 Budget Act Administrative and Miscellaneous Provisions

As part of the proposed Port Authority of Guam Fiscal Year 2027 Budget Act, I am requesting the Board's adoption of the accompanying Administrative and Miscellaneous Provisions. These provisions are intended to provide management with the authority and flexibility necessary to carry out the budget adopted by the Board, maintain continuity of Port operations, strengthen accountability, and continue the modernization work already underway.

The proposed provisions are not intended to diminish the Board's policy or oversight responsibilities. Rather, they are intended to clearly establish the management authority necessary to execute the Board's approved budget and priorities while maintaining appropriate financial, procurement, personnel, legal, and reporting controls.

Over the past decade, the Port's responsibilities have expanded considerably. We are managing aging cargo handling equipment, major capital projects, federal grant opportunities, infrastructure requirements, technology improvements, workforce needs, tariff changes, debt and financing considerations, and an increasingly complex operating environment. At the same time, we must continue operating the Port every day without interruption. Fiscal Year 2027 therefore requires more than the allocation of funding. It requires a clear management framework for putting those resources to work.

Several of the proposed provisions continue practices or authorities already established by the Board. The vacancy pool, for example, has been used since Fiscal Year 2020 as a centralized mechanism for managing personnel funding rather than funding every vacant position individually. The proposed provision continues that practice while making clear that the staffing pattern authorizes positions and the vacancy pool provides the funding capacity from which management determines which authorized vacancies should be filled.

The provisions also strengthen our ability to pursue federal and other external funding opportunities. Grant opportunities do not always develop according to the Port's annual budget cycle. Management must be able to identify and pursue funding when opportunities become available, while remaining subject to applicable requirements before Port funds are expended or projects requiring separate authorization are implemented. A monthly report to the Board will provide continuing visibility into material funding opportunities, applications, awards, and implementation activity.

The proposed Equipment and Asset Life Cycle Planning Project responds directly to the need for better long term stewardship of cargo handling equipment, vehicles, transportation equipment, and other critical operational assets. Equipment Maintenance and Operations, including Transportation, will jointly evaluate equipment condition, utilization, maintenance history, reliability, replacement needs, parts requirements, and operational consequences of equipment downtime. This work will support future budgets, equipment acquisitions, grant applications, procurement planning, and replacement decisions.

We are also asking the Board to provide clear authority to address contracts and agreements approaching expiration. Management should be able to act before an essential service, maintenance arrangement, technology subscription, equipment support agreement, professional service, or other continuing requirement expires. The intent is to encourage earlier management action and reduce the likelihood that preventable delays result in service interruptions or emergency procurements. All such actions will remain subject to applicable procurement and legal requirements.

The Capital Improvement Program governance provision establishes clearer institutional guardrails for development and implementation of capital projects. CIP and Engineering will remain principally responsible for the technical side of projects. Finance will remain principally responsible for funding availability, fiscal impact, project financial controls, and the lawful availability of funds. Planning will continue its strategic planning and grant development responsibilities. Neither the existence of a technical recommendation nor the availability of funding, standing alone, will determine whether a project advances.

As General Manager, I will make those management determinations after considering the technical, operational, financial, strategic, and institutional requirements of the Port and in consultation with the affected division head and the employees who will ultimately operate, maintain, or use the project, facility, equipment, or asset. This is intended to ensure that our capital investments respond to actual operational needs and that the people closest to those needs have an appropriate role in project development.

The proposed provisions also continue the Port's long term financing strategy previously supported by the Board, including the pursuit of bond financing and federal funding to support major infrastructure investments, up to three new ship to shore gantry cranes, wharf and pier improvements, other critical infrastructure, and potential refinancing of the 2018 Revenue Bond.

On compensation, the proposal builds upon the market based compensation framework previously established by the Board. Rather than undertake another broad compensation study before management can respond to recruitment and retention pressures, the proposed authority would permit movement from the twenty fifth market percentile to no more than the thirtieth percentile when sufficient recurring and sustainable funding is available. The Chief Financial Officer would provide the financial analysis and certification, and implementation could be full, partial, phased, deferred, or not implemented depending on the Port's financial condition.

For Port Police, we are not asking the Board to establish hazard pay through the Budget Act. We are requesting authority to conduct the necessary operational, personnel, legal, and financial review and develop an appropriate policy for subsequent consideration and implementation consistent with applicable requirements.

The Performance Management Contract authority similarly responds to equipment reliability challenges. It would allow management, through lawful procurement, to pursue specialized maintenance, diagnostics, parts support, training, knowledge transfer, and other services necessary to improve cargo handling equipment availability and reliability. The intent is to supplement and strengthen our Equipment Maintenance workforce, not replace it.

We are also requesting continuation authority in the event a future Board is temporarily unable to achieve a quorum and therefore cannot adopt a succeeding annual budget. The Port cannot stop operating because of a governance interruption. The proposed provision allows the existing budget to continue and permits the General Manager, when supported by sufficient lawful resources, to increase the expenditure ceiling by up to five percent for each succeeding fiscal year in which the quorum problem continues. This is a ceiling, not an automatic increase. Since Fiscal Year 2019, the Port's operating expense budget has grown at an average annual rate of approximately 2.9 percent, providing context for the proposed five percent maximum.

The proposed provisions also address matters requiring Public Utilities Commission review. When the Board is unable to achieve a quorum, the General Manager would be authorized to advance qualifying matters to the Public Utilities Commission so that regulatory review is not delayed solely because the Board cannot meet, while preserving all Public Utilities Commission review and approval requirements.

Finally, the proposed Miscellaneous Provisions would become effective upon Board adoption of the Port Authority of Guam Fiscal Year 2027 Budget Act and, unless expressly limited, would continue until amended, superseded, or repealed by the Board or applicable law. This will allow institutional authorities and governance reforms to continue without having to recreate them in every annual Budget Act. Fiscal Year 2027 appropriations, expenditure ceilings, personnel funding, vacancy pool funding, and other annual funding authorizations would still become effective October 1, 2026 and would not automatically carry forward merely because an underlying management authority continues.

Taken together, these provisions are intended to give management the tools necessary to operate, stabilize, and modernize while preserving accountability to the Board. They clarify who is responsible, establish appropriate financial and organizational guardrails, improve planning and reporting, and allow management to act when timely action is necessary.

Attached to this memorandum as Attachment A are the proposed Administrative and Miscellaneous Provisions recommended for inclusion in the Port Authority of Guam Fiscal Year 2027 Budget Act. The provisions are presented in their proposed final form and are intended to establish the authorities, responsibilities, management controls, reporting requirements, and institutional safeguards described in this memorandum.

The proposed Administrative and Miscellaneous Provisions have been reviewed by the Port's Legal Counsel for legal sufficiency. Based on that review, Legal has determined that the provisions are legally sufficient for consideration and adoption by the Board of Directors as part of the Port Authority of Guam Fiscal Year 2027 Budget Act.

To the extent that any preliminary or summary provision described in the Fiscal Year 2027 Budget Narrative differs from the final language contained in Attachment A, Attachment A shall constitute the final provisions presented to the Board for adoption and shall control.

We respectfully recommend that the Board adopt the Port Authority of Guam Fiscal Year 2027 Budget Act, including Attachment A as an integral part of the Budget Act for the Jose D. Leon Guerrero Commercial Port.

LEGAL SUFFICIENCY:

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James L. Canto
Port Staff Attorney

PORT AUTHORITY OF GUAM FISCAL YEAR 2027 BUDGET ACT
INCORPORATION OF ATTACHMENT A

Adoption of Administrative and Miscellaneous Provisions. The Administrative and Miscellaneous Provisions attached as Attachment A are incorporated into the Port Authority of Guam Fiscal Year 2027 Budget Act and shall have the same force and effect as if fully included in the Budget Act upon adoption by the Board of Directors.

PROPOSED MOTION TO ADOPT

Motion: To adopt the Port Authority of Guam Fiscal Year 2027 Budget Act, including the Administrative and Miscellaneous Provisions contained in Attachment A as an integral part of the Budget Act.

ATTACHMENT A TO THE PORT AUTHORITY OF GUAM FISCAL YEAR 2027 BUDGET ACT
ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS

Adopted by the Board of Directors as an integral part of the Port Authority of Guam Fiscal Year 2027 Budget Act

PART I. ADMINISTRATIVE PROVISIONS

1. Additional Spending Authority

The General Manager is authorized to increase the total Fiscal Year 2027 approved expenditure ceiling of the Port Authority of Guam by up to five percent above the expenditure level authorized by the Board of Directors, provided sufficient revenues, reserves, grant funds, reimbursements, or other lawful resources are available to support the additional expenditures.

The Chief Financial Officer shall provide the financial analysis necessary to determine the availability of sufficient lawful resources to support any increase authorized under this section.
Any additional expenditure authority available under this section shall remain subject to the approval and control of the General Manager. No division, office, program, project, position, or expenditure category shall have an automatic entitlement to any portion of the additional expenditure authority.

The General Manager shall determine whether additional expenditure authority is necessary, the amount to be authorized, the timing of the authorization, and the purposes for which the authority may be used. The General Manager may authorize the additional expenditure authority in whole or in part and may allocate, withhold, modify, or discontinue such authority during the fiscal year based on revenue performance, available resources, operational requirements, financial conditions, emergencies, material needs, or other circumstances affecting the Port.

Additional expenditure authority under this section shall be limited to purposes, programs, activities, projects, positions, and expenditure categories otherwise authorized by the Fiscal Year 2027 Budget Act, Board approved Capital Improvement Program, Board action, or other lawful authority.

Nothing in this section shall independently authorize a new program, project, position, activity, or expenditure purpose that has not otherwise been authorized.

All expenditures under this section shall remain subject to applicable law, procurement requirements, debt obligations, grant conditions, and financial controls.

2. Budget Transfer and Realignment Authority

The Board of Directors recognizes that, since Fiscal Year 2019, the General Manager has been provided budget transfer authority as a management tool to administer the Port Authority of Guam's approved annual budget, respond to changing operational and financial requirements, and direct available resources where they are most needed. This authority has been exercised through successive fiscal years while the Port has maintained financial accountability and received clean independent financial audits. The Board finds that this longstanding authority has provided necessary flexibility for management to administer the Port's budget while remaining within the overall expenditure authority and financial controls established by the Board.

Consistent with this established practice, the General Manager is authorized to transfer, realign, or otherwise adjust approved budget authority among divisions, offices, programs, accounts, object classes, and expenditure categories of the Port Authority of Guam when necessary to address operational requirements, changing priorities, unanticipated needs, expenditure trends, vacancies, procurement requirements, project implementation, or other circumstances affecting execution of the Port Authority of Guam Fiscal Year 2027 Budget Act.

Any transfer or realignment shall remain within the total expenditure authority available to the Port and shall not, by itself, increase the overall expenditure ceiling established by the Board of Directors.

The Chief Financial Officer shall provide the financial analysis and accounting support necessary to document transfers and realignments and maintain the accuracy of the Port's budget and financial records.

The General Manager shall determine the amount, timing, source, and destination of any transfer or realignment and may modify or reverse a transfer when operational or financial circumstances warrant.

No division, office, program, account, or expenditure category shall have an automatic entitlement to retain an allocation when the General Manager determines that available resources should be redirected to another authorized Port requirement.

Nothing in this section shall authorize the use of restricted funds for an unauthorized purpose, impair debt service or other contractual obligations, violate grant conditions, create an unauthorized position, program, project, or expenditure purpose, or exempt any expenditure from applicable law, procurement requirements, personnel rules, financial controls, or Board authority.

3. Contract Continuity and Expiring Agreements

The General Manager is authorized to take the actions necessary to renew, extend, replace, competitively procure, modify, terminate, allow to expire, or otherwise address any contract, agreement, lease, license, subscription, maintenance arrangement, professional service, equipment support agreement, or other continuing obligation when such action is necessary or appropriate to maintain Port operations, protect the interests of the Port Authority of Guam, or avoid disruption.

In exercising this authority, the General Manager may consider operational need, contractor performance, cost, funding availability, procurement requirements, market conditions, service continuity, technological requirements, changing organizational needs, and the long term interests of the Port.

The General Manager may direct the responsible division, Procurement and Supply, Finance, Legal, and other affected divisions or offices to initiate the necessary review, procurement, negotiation, administrative action, or other appropriate process sufficiently in advance of expiration.

Where continuity of an essential service or operational requirement may be materially affected by expiration of an agreement, the General Manager may establish internal deadlines and require the responsible division or office to initiate appropriate action before the expiration date.

Nothing in this section shall exempt any contract, extension, renewal, amendment, procurement, lease, agreement, or other action from applicable procurement laws and regulations, funding requirements, contractual terms, or other legal requirements.

4. Vacancy Pool and Position Management

Beginning in Fiscal Year 2020, the Port Authority of Guam discontinued the practice of funding vacant positions individually by position and instead implemented a vacancy pool as a centralized workforce and budget management mechanism. The Port shall continue this practice for Fiscal Year 2027.

The Board of Directors shall establish the total funding level available for the vacancy pool through the approved Fiscal Year 2027 Budget Act. The authorization of a position within the staffing pattern shall not constitute a separate appropriation or funding authorization for that position.

The vacancy pool shall be administered under the authority and control of the General Manager. Within the total funding level authorized by the Board, the General Manager shall determine which authorized vacant positions may be recruited and filled based on operational need, workload, organizational priorities, available funding, succession requirements, changes in technology or work processes, and the capabilities necessary to support the Port's current and anticipated responsibilities.

No division, office, manager, or vacant position shall have an automatic entitlement to vacancy pool funding solely because a position remains authorized within the staffing pattern.

The General Manager may prioritize vacancy pool funding for positions necessary to support cargo operations, equipment maintenance and reliability, safety, security, engineering, capital project execution, technology, financial management, revenue protection, regulatory compliance, and other essential Port functions.

The General Manager may determine that an authorized vacant position should remain unfilled, that vacancy pool resources should be redirected to another authorized staffing requirement, or that the position should be evaluated for reassignment, organizational realignment, reclassification, or future abolition through the appropriate process.

The vacancy pool shall not be administered solely as a headcount reduction mechanism. Its purpose is to provide management flexibility to direct limited personnel funding toward the positions and capabilities most necessary to meet the Port's operational and institutional requirements.

Nothing in this section shall authorize the creation, abolition, reclassification, or modification of a classified or unclassified position except in accordance with applicable law, Board authority, personnel rules, and the approved staffing pattern.

5. Federal Grants, Matching Funds, and External Funding Authority

The General Manager is authorized to identify, pursue, apply for, negotiate, and otherwise seek federal grants, reimbursements, cooperative agreements, appropriations, financial assistance, and other external funding opportunities that may benefit the Port Authority of Guam or support its operational, equipment, infrastructure, security, resiliency, technology, environmental, planning, economic development, or other institutional priorities.

The authority to pursue funding under this section shall not be limited solely to projects or initiatives already included in the approved annual budget, Capital Improvement Program, Port Master Plan, or prior Board action. The General Manager may pursue funding opportunities for projects and initiatives that management determines may advance the Port's mission, operational requirements, strategic interests, or future capital needs.

The pursuit or application for funding shall not, by itself, constitute authorization to expend Port funds, commence construction, establish a new program or position, or otherwise implement a project where separate approval is required by law, Board action, or the approved budget.

Upon award or availability of external funding, the General Manager is authorized to accept, administer, and implement such funding and to provide required matching funds or combine external funding with Port revenues, reserves, bond proceeds, reimbursements, or other lawful resources to the extent the underlying project, program, activity, or expenditure is otherwise authorized or subsequently approved through the applicable process.

The General Manager shall determine the appropriate funding strategy, including the amount and source of any Port matching funds, subject to available resources, grant conditions, debt obligations, financial controls, and applicable law.

The General Manager shall provide the Board of Directors with a monthly report summarizing material funding opportunities pursued, applications submitted, awards received, and significant implementation activity under this section.

6. Equipment and Asset Life Cycle Planning Project

The Port Authority of Guam shall establish an Equipment and Asset Life Cycle Planning Project as a coordinated initiative of the Equipment Maintenance Division and Operations Division, including Transportation, to improve equipment reliability, preventive maintenance, operational readiness, replacement planning, and long term equipment stewardship.

The project shall be administered under the direction of the General Manager, with the Deputy General Manager for Operations responsible for coordinating implementation among the Equipment Maintenance Division and Operations Division, including Transportation.

Equipment Maintenance and Operations, including Transportation, shall jointly identify and evaluate major cargo handling equipment, vehicles, transportation equipment, and other critical operational assets based on age, condition, utilization, maintenance history, reliability, remaining useful life, replacement lead time, estimated replacement cost, operational criticality, and the consequences of equipment failure or unavailability.

Equipment Maintenance shall provide the principal maintenance and technical information necessary to evaluate equipment condition, repair history, preventive maintenance requirements, recurring failures, parts requirements, technical support needs, and anticipated remaining useful life.

Operations, including Transportation, shall provide the principal operational information concerning equipment utilization, availability requirements, deployment, workload, operator experience, service demands, and the operational consequences associated with equipment downtime or replacement.

The project shall identify anticipated maintenance, rehabilitation, replacement, and acquisition requirements and shall develop recommendations for equipment replacement schedules, critical spare parts, preventive maintenance, vendor support, procurement timing, training, and other measures necessary to improve equipment availability and reduce avoidable operational disruption.

The results of the project shall inform the Port's annual budget, equipment acquisition and replacement planning, Capital Improvement Program, grant strategy, procurement planning, reserve planning, and multi year financial and operating outlook.

The General Manager shall establish the project requirements, priorities, methodology, reporting format, implementation schedule, participating personnel, and other administrative requirements necessary to carry out this section.

7. Performance Accountability and Multi Year Planning

The Port Authority of Guam shall maintain a performance accountability and multi year planning process to strengthen management oversight, measure progress on significant initiatives, identify emerging requirements, and support informed financial and operational decision making.

The General Manager shall establish and administer the framework, performance measures, milestones, reporting requirements, and management responsibilities necessary to implement this section.

Under the direction of the General Manager, the Deputy General Manager for Operations and the Deputy General Manager for Administration and Finance shall coordinate implementation of the performance accountability process within their respective areas of responsibility and shall assist in identifying material operational, organizational, financial, and implementation issues requiring management attention.

Significant operating, capital, equipment, maintenance, technology, financial, security, and modernization initiatives shall be evaluated using appropriate performance measures, milestones, schedules, financial information, or other indicators established by the General Manager. Management shall periodically assess progress, delays, risks, cost impacts, results, and corrective actions and shall report material matters to the Board of Directors as appropriate.

The Port shall maintain a rolling multi year financial and operating outlook addressing anticipated revenues, personnel costs, operating obligations, debt service, equipment requirements, capital commitments, grant requirements, maintenance needs, reserves, and other material financial and operational requirements.

The General Manager and Chief Financial Officer shall establish the financial assumptions, methodology, planning horizon, and level of detail necessary for the multi year financial outlook.

The outlook shall inform development of future annual budgets, the Capital Improvement Program, equipment replacement planning, grant strategies, debt and reserve planning, compensation decisions, major procurements, and other significant long term commitments.

Nothing in this section shall create independent expenditure authority or require continuation of a program, project, position, or initiative that management determines should be modified, deferred, or discontinued.

8. Implementation of Approved Tariff Adjustments

Upon approval of any tariff adjustment by the Public Utilities Commission or other lawful authority, the General Manager is authorized to take the actions necessary to implement and administer the approved tariff adjustment on behalf of the Port Authority of Guam.

The General Manager may revise revenue projections, billing procedures, financial assumptions, operating plans, and related administrative practices necessary to implement the approved tariff adjustment and incorporate its effects into the Port's financial and operating activities.

The Chief Financial Officer shall monitor revenues resulting from the tariff adjustment and its effect on the Port's financial performance, including operating revenues, debt service requirements, reserves, and other material financial obligations.

Under the direction of the General Manager, the Deputy General Manager for Administration and Finance shall coordinate implementation among Finance, Commercial, and other affected divisions and offices to ensure that approved tariff changes are properly incorporated into billing, revenue collection, financial reporting, and related administrative processes.

Based upon actual revenue performance, the General Manager may make corresponding administrative and budget management adjustments within the expenditure authority otherwise available to the Port to maintain financial stability, debt service compliance, appropriate reserves, and continuity of operations.

Nothing in this section shall authorize the General Manager to independently establish or increase tariff rates or charges requiring approval by the Public Utilities Commission or other lawful authority, nor shall this section independently increase the expenditure authority established by the Board.

PART II. MISCELLANEOUS PROVISIONS

1. Continuity During Loss of Board Quorum

The Board of Directors recognizes that continuity provisions and budget ceiling adjustment authority have previously been authorized to protect the Port Authority of Guam from disruption when circumstances affecting Board governance prevent timely action on an annual budget. Since Fiscal Year 2019, the Port's operating expense budget has increased at an average annual rate of approximately 2.9 percent. The five percent authority provided under this section establishes a reasonable maximum level of annual flexibility during an extended loss of Board quorum and shall not constitute an automatic increase in expenditures.

If the Board of Directors is unable to achieve a quorum and, as a result, is unable to adopt an annual budget for a fiscal year succeeding Fiscal Year 2027, the Fiscal Year 2027 Budget Act shall remain in effect and shall serve as the continuing operating budget of the Port Authority of Guam until the Board is able to achieve a quorum and adopt a succeeding annual budget.

For each succeeding fiscal year in which the Board remains unable to achieve a quorum and approve an annual budget, the General Manager is authorized to increase the total authorized expenditure ceiling by up to five percent above the authorized expenditure ceiling for the immediately preceding fiscal year, provided sufficient lawful revenues, reserves, grants, reimbursements, or other available resources exist to support the increase.

Any additional expenditure authority available under this section shall remain under the approval and control of the General Manager. No division, office, program, project, or expenditure category shall have an automatic entitlement to any portion of the additional expenditure authority.

The General Manager shall determine whether additional expenditure authority is necessary, the amount to be authorized, the timing of such authorization, and the purposes for which it may be used, consistent with the continuing budget, operational requirements, available resources, and applicable law.

The General Manager may authorize the additional expenditure authority in whole or in part and may allocate, withhold, modify, or discontinue such authority during the fiscal year based on revenues, operating conditions, financial performance, emerging requirements, or other material considerations affecting the Port.

The authority provided under this section shall apply separately to each succeeding fiscal year for as long as the Board remains unable to achieve a quorum and approve an annual budget. Any increase authorized for a succeeding fiscal year shall become the expenditure ceiling from which the allowable increase for the next succeeding fiscal year is calculated.

During any period in which the Port is operating under this continuity provision, the General Manager is authorized to exercise the administrative, personnel, procurement, contracting, capital, financial, grant, equipment, organizational, and other authorities previously approved by the Board and necessary to maintain Port operations, financial stability, regulatory compliance, safety, security, maintenance, capital activities, and continuity of essential services, subject to applicable law.

Upon restoration of a quorum, the Board of Directors may adopt a succeeding annual budget, amend the continuing budget, modify any authority exercised under this section, or otherwise exercise its lawful powers. Upon adoption of a succeeding annual budget, that budget shall supersede the continuing budget established under this section.

2. Corporate Services Organizational Realignment

The Board of Directors finds that the Corporate Services Manager position is currently vacant and that the continuing functions previously administered through the Corporate Services Division have already been reassigned for operational purposes, including the assignment of one employee to the Office of the General Manager and one employee to General Administration.

Upon adoption of the Port Authority of Guam Fiscal Year 2027 Budget Act and staffing pattern, the Corporate Services Manager position shall be eliminated from the Port Authority of Guam staffing pattern.

The General Manager is authorized to maintain, modify, or further realign the placement of the continuing functions, duties, responsibilities, and personnel previously associated with the Corporate Services Division among existing divisions, offices, managers, supervisors, or other appropriate positions within the Port Authority of Guam based on operational need, efficiency, accountability, workload, and management responsibility.

The General Manager shall provide written notice of the elimination of the Corporate Services Manager position to the Director of the Department of Administration and shall take such administrative action as may be necessary to ensure that the Port's official staffing, classification, personnel, and budget records accurately reflect elimination of the position.

Once eliminated pursuant to this section, the Corporate Services Manager position shall not be restored, reinstated, or otherwise returned to the Port Authority of Guam staffing pattern solely through subsequent Board action or approval of a future annual budget or staffing pattern.

Any future establishment of a Corporate Services Manager position, or a substantially similar position intended to perform the same management functions, shall be treated as the establishment of a new position and shall be subject to the applicable statutory requirements governing creation of new positions, including applicable transparency, disclosure, public notice, fiscal review, and other requirements established by law.

Nothing in this section shall impair any lawful personnel right or prevent the General Manager from assigning the continuing functions formerly associated with the Corporate Services Division to existing positions or organizational units consistent with applicable law, personnel rules, classification requirements, and Board policy.

3. Compensation Market Adjustment Authority

Consistent with the compensation framework previously established by the Board of Directors, including Resolution No. 2016-04, the General Manager is authorized to adjust the Port Authority of Guam's compensation market position from the twenty fifth market percentile to no more than the thirtieth market percentile.

Implementation of any adjustment under this section shall be subject to a determination by the General Manager, with financial analysis and certification by the Chief Financial Officer, that sufficient recurring revenues or other lawful and sustainable funding sources are available to support the resulting recurring compensation costs without materially impairing the Port's operating requirements, debt obligations, capital commitments, reserve requirements, or other financial responsibilities.

The General Manager shall determine the timing and manner of implementation and may implement the adjustment in whole, in part, or in phases, or may defer implementation, based upon available funding, operational requirements, recruitment and retention considerations, and the financial condition of the Port.

Nothing in this section shall require implementation of the full thirtieth market percentile. The thirtieth market percentile shall constitute the maximum market position authorized under this section, and implementation shall remain subject to applicable law and personnel rules.

4. Port Police Hazard Pay Review and Policy Development Authority

The General Manager is authorized to evaluate the fiscal, operational, legal, and personnel requirements associated with establishing hazard pay for eligible Port Police personnel.

Under the direction of the General Manager, the Deputy General Manager for Operations and the Deputy General Manager for Administration and Finance shall jointly coordinate the review within their respective areas of responsibility, including operational requirements, assignment conditions, personnel administration, fiscal impact, and implementation considerations.

The review shall identify the duties, assignments, working conditions, or other circumstances that may warrant hazard pay and shall evaluate appropriate eligibility requirements, qualifying conditions, rates or methodology, administrative controls, funding requirements, and projected fiscal impact.

The General Manager may direct Port Police, Personnel Services, Finance, Legal, and other appropriate divisions or offices to provide information, analysis, or assistance necessary to complete the review.

The General Manager is authorized to develop a proposed Port Police hazard pay policy based on the results of the review. Any proposed policy shall identify eligible personnel or assignments, qualifying conditions, the amount or method of calculation, applicable limitations, funding source, administrative controls, and anticipated annual fiscal impact.

No hazard pay shall be implemented solely by virtue of this section. Any proposed hazard pay program shall remain subject to sufficient available funding and any approval required by applicable law, personnel rules, or Board authority.

5. Cargo Handling Equipment Performance Management Contract Authority

The General Manager is authorized to develop and procure a Performance Management Contract for cargo handling equipment, including Top Loaders and other critical cargo handling equipment as determined appropriate by the General Manager, pursuant to applicable procurement laws and regulations.

Under the direction of the General Manager, the Deputy General Manager for Operations shall coordinate implementation of this initiative with the Equipment Maintenance Division, Operations Division, and other affected divisions and offices.

The Performance Management Contract may include specialized maintenance support, diagnostics, preventive and scheduled maintenance, manufacturer or dealer support where appropriate, parts management and critical spare parts support, technical services, surge maintenance capacity, employee training, knowledge transfer, maintenance documentation, equipment condition assessment, performance reporting, and other services necessary to improve equipment availability, reliability, and useful life.

The General Manager shall determine the equipment included within the contract, required performance standards, scope and level of contractor support, contract term, performance measures, and other requirements necessary to meet the Port's operational needs, subject to available funding and applicable procurement requirements.

The Performance Management Contract shall be structured to supplement and strengthen the Port's Equipment Maintenance workforce rather than replace it. To the extent practicable, the contract shall incorporate employee training, technical development, knowledge transfer, improved maintenance practices, and other measures intended to strengthen the Port's internal maintenance capability.

Performance may be measured through equipment availability, preventive maintenance completion, repair turnaround time, recurring equipment failures, parts availability, maintenance documentation, or other measures established by the General Manager.

The General Manager may use funds appropriated or otherwise lawfully available for equipment maintenance, repair, parts, technical services, training, or other authorized equipment reliability purposes to support the contract.

Nothing in this section shall be construed to select a contractor, direct an award, restrict lawful competition, or exempt the procurement from applicable procurement laws and regulations.

6. Capital Improvement Program Governance and Implementation Authority

The General Manager is authorized to develop, implement, and administer a formal Capital Improvement Program governance process consistent with the Board approved Capital Improvement Program.

Under the direction of the General Manager, the Deputy General Manager for Operations and the Deputy General Manager for Administration and Finance shall coordinate implementation of the Capital Improvement Program within their respective areas of responsibility and assist in resolving operational, administrative, financial, and organizational matters affecting project development and delivery.

The governance process shall establish project development requirements, project documentation standards, funding and financial review requirements, implementation controls, reporting requirements, and the respective principal responsibilities of Capital Improvement Projects and Engineering, Planning, Finance, affected operating divisions, and other appropriate offices.

The Board approved Capital Improvement Program shall serve as the principal framework for development and advancement of capital initiatives. The Port Master Plan and other applicable planning documents shall inform capital planning and project development but shall not operate as an exclusive limitation on capital initiatives that may be developed or recommended when operational, regulatory, security, infrastructure, funding, resiliency, or other institutional requirements support advancement.

The Capital Improvement Program governance process shall maintain clear institutional guardrails between the technical responsibilities of Capital Improvement Projects and Engineering and the financial responsibilities of Finance.

Capital Improvement Projects and Engineering shall have principal responsibility for project scope development, engineering, design, technical specifications, technical review, construction administration, project schedules, technical evaluation of proposed changes, and verification that work performed conforms to approved technical requirements.

Finance shall have principal responsibility for determining and verifying funding availability, identifying funding restrictions and financial requirements, evaluating fiscal impact, monitoring project budgets and expenditures, maintaining appropriate financial controls, and ensuring that project commitments and payments are supported by lawful and available funding.

Capital Improvement Projects and Engineering shall not independently commit Port funds, determine the availability or source of funding, authorize expenditures beyond delegated authority, or make financial commitments on behalf of the Port.

Finance shall not independently establish or modify engineering scope, technical specifications, design requirements, construction standards, or other technical determinations assigned to Capital Improvement Projects and Engineering.

Planning shall have principal responsibility for strategic planning coordination, grant development, federal funding opportunities, and alignment with applicable planning documents.

The Capital Improvement Program governance process shall provide for appropriate consultation with affected division heads and end users during project development, including identification of operational requirements, development of scope, evaluation of alternatives, and consideration of material changes that may affect the intended use or operation of a project.

Neither the technical determination of Capital Improvement Projects and Engineering nor the identification of available funding by Finance shall, standing alone, constitute authorization to proceed with a capital initiative.

The General Manager shall make the management determination whether and how a capital initiative advances after considering the technical, operational, financial, strategic, and institutional requirements of the Port and in consultation with the affected division head and appropriate end users of the proposed project, facility, equipment, or asset, subject to applicable law and Board authority.

No single division or office shall independently determine whether a major capital initiative proceeds. Major capital decisions shall be coordinated through the governance process established by the General Manager.

The General Manager is authorized to establish appropriate internal project review procedures and may require that proposed capital initiatives demonstrate an identified operational or institutional need, an appropriate funding strategy, reasonable life cycle cost considerations, identified ownership and accountability, and appropriate review of material changes in scope, cost, schedule, or funding.

Material changes in project scope, cost, schedule, funding source, or implementation strategy shall be coordinated through the governance process established by the General Manager so that the technical, operational, and financial consequences of the proposed change are evaluated before management action is taken.

The availability of federal grant funding or another external funding source shall not, by itself, determine whether a capital project is advanced. The General Manager shall determine whether the project is consistent with the Port's operational requirements, strategic priorities, financial capacity, long term obligations, and Board approved capital framework.

The General Manager may obtain appropriate professional, technical, financial, engineering, legal, or other assistance necessary to support implementation of the Capital Improvement Program, subject to applicable procurement requirements and available funding.

7. Bond Financing and Capital Investment Authority

The Board of Directors reaffirms and continues the authority and policy established under Board Resolution Nos. 2024-07 and 2025-38 concerning bond borrowing and related financial commitments in support of the Port Authority of Guam's strategic capital improvements and Port readiness objectives.

Consistent with these prior Board actions, the General Manager is authorized to continue pursuing and implementing bond financing to leverage matching funds for federal awards, acquire up to three ship to shore gantry cranes, rehabilitate wharves and piers, including improvements necessary for crane installation, finance other critical infrastructure facilities, and provide for the refunding or refinancing of the 2018 Revenue Bond.

Bond financing may be combined with federal grants and other lawfully available resources consistent with the Board's established strategy of leveraging federal investment and shall not be construed as requiring bond proceeds to fully finance the Port's modernization program.

The Chief Financial Officer shall provide the financial analysis and coordination necessary to support the financing strategy, including evaluation of debt capacity, debt service requirements, financial covenants, revenue requirements, reserves, financing alternatives, and the Port's ability to meet its continuing financial obligations.

The General Manager shall determine the timing, financing strategy, capital priorities, and actions necessary to advance the financing program, taking into consideration the financial analysis of the Chief Financial Officer, project readiness, federal funding opportunities, operational requirements, and the Port's overall capital program, subject to applicable law and any governmental or regulatory approvals required for the issuance of debt.

8. Public Utilities Commission Submission and Continuity Authority

The Board of Directors recognizes that certain contracts, obligations, capital expenditures, professional services, financing arrangements, amendments, and other matters of the Port Authority of Guam require review or prior approval by the Guam Public Utilities Commission pursuant to applicable law and the Port Authority Contract Review Protocol established under PAG Docket 09-01.

The Board further recognizes that it has previously provided continuity authority permitting the General Manager, during a period in which the Board is unable to achieve a quorum, to present matters requiring Public Utilities Commission review or approval so that the absence of a Board quorum does not unnecessarily interrupt or delay Port operations. This authority has previously been utilized in practice. Following prior Board action providing such continuity authority, the Port presented a petition involving the procurement of nine terminal yard tractors to the Public Utilities Commission. The Public Utilities Commission accepted and proceeded upon the Port's petition, opened PAG Docket 24-02, and undertook review of the proposed contract award. This history provides additional precedent for continuing such authority as part of the Port Authority of Guam Fiscal Year 2027 Budget Act.

When a matter requires submission to or approval by the Public Utilities Commission and the Board of Directors is unable to achieve a quorum necessary to take the Board action ordinarily required to advance the matter, the General Manager is authorized, on behalf of the Port Authority of Guam, to prepare, execute, file, transmit, prosecute, supplement, amend, and otherwise advance the petition, application, request, certification, and other documentation necessary to obtain Public Utilities Commission review or approval.

The authority provided under this section may be exercised for contracts, obligations, capital expenditures, professional services, financing arrangements, amendments, renewals, extensions, procurements, and other matters subject to Public Utilities Commission jurisdiction or review, including matters exceeding applicable monetary thresholds established by law or Public Utilities Commission order.

Exercise of this authority shall not waive, replace, or otherwise eliminate any review or approval required by the Public Utilities Commission and shall not exempt the underlying procurement, contract, obligation, expenditure, financing arrangement, or other action from applicable procurement laws and regulations, funding requirements, financial controls, or other requirements of law.

This authority shall be exercised only when the Board is unable to achieve a quorum and the General Manager determines that delaying submission until restoration of a Board quorum could materially delay or adversely affect Port operations, procurement, equipment acquisition or maintenance, capital projects, federal funding, financing, contractual continuity, regulatory compliance, or other material interests of the Port.

The General Manager shall report any action taken pursuant to this section to the Board of Directors at the first meeting following restoration of a quorum.

PART III. EFFECTIVE DATE AND CONTINUING EFFECT

Effective Date and Continuing Effect

Notwithstanding any other provision of the Port Authority of Guam Fiscal Year 2027 Budget Act, the Miscellaneous Provisions contained in Attachment A shall become effective immediately upon adoption of the Budget Act by the Board of Directors.

Unless otherwise expressly limited by its terms, any authority, delegation, policy, organizational action, program authorization, or other action authorized under the Miscellaneous Provisions may be exercised immediately upon adoption of the Budget Act and shall remain in full force and effect thereafter.

Any such authority or provision shall continue during subsequent fiscal years and under subsequent Port Authority of Guam Budget Acts without the need for annual reenactment or restatement, unless expressly repealed, amended, superseded, or otherwise modified by the Board of Directors or by applicable law. The omission of a continuing Miscellaneous Provision from a subsequent Budget Act shall not, by itself, constitute its repeal or expiration.

Nothing in this section shall extend an authority expressly limited by its terms to a particular fiscal year, specific event, period, or condition.

The continuing effect of a Miscellaneous Provision shall not, by itself, carry forward or increase any appropriation, expenditure ceiling, personnel funding level, vacancy pool funding, division or program allocation, or other funding authorization established specifically for Fiscal Year 2027.

All Fiscal Year 2027 appropriations, expenditure ceilings, personnel funding levels, vacancy pool funding, division and program allocations, and other Fiscal Year 2027 funding authorizations shall become effective on October 1, 2026, unless otherwise expressly provided.

Port Authority of Guam

FY2027
BUDGET NARRATIVE

OPERATE. STABILIZE. MODERNIZE.

Three priorities. One mission.

Doc. No. 38GL-26-2853.*

Operate. Stabilize. Modernize.

Fiscal Year 2027 continues the Port Authority of Guam's work to strengthen the institution while maintaining the daily operations upon which Guam depends. It is not the beginning of Port modernization. It is the next phase of work already underway, with greater emphasis on institutionalizing the systems, capabilities, and accountability necessary to sustain that progress.

Fiscal Year 2026 demonstrated both the resilience of the Port and the vulnerabilities that remain. The Port maintained vessel and cargo operations through aging equipment, severe weather, changing vessel schedules, workforce demands, periods of constrained cargo handling capacity, and regional recovery requirements. Those experiences confirmed that extraordinary effort can preserve operations during difficult periods, but extraordinary measures cannot become the Port's operating model. The FY2027 budget is therefore organized around three continuing priorities.

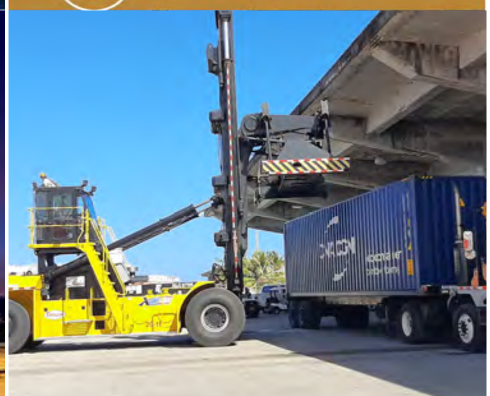
OPERATE. STABILIZE. MODERNIZE.

THREE PRIORITIES. ONE MISSION.

OPERATE.

- Maintain the personnel necessary to safely and efficiently move cargo.
- Maintain equipment.
- Secure Port Facilities.
- Administer the Organization.
- Meet our responsibilities to the people and businesses that depend on the Port.

STABILIZE.



- Assess operational and maintenance capacity
- Strengthen skilled trades where necessary.
- Preserve workforce discipline through the vacancy pool.
- Ensure personnel expenditures remain aligned with the Port's financial capacity.

MODERNIZE.

- Develop the workforce required to operate and maintain new equipment.
- Manage an expanding capital program.
- Strengthen cybersecurity and information technology.
- Improve financial and procurement controls.
- Deliver infrastructure investments that will shape the Port for decades to come.

The objective is not a larger organization. It is a more capable one.

Operate means providing the resources necessary to move cargo, maintain facilities, support employees, meet regulatory requirements, and fulfill financial obligations. Stabilize means strengthening equipment reliability, maintenance capacity, critical parts availability, infrastructure, project execution, workforce capability, and operational redundancy. Modernize means continuing investment in cargo handling equipment, ship-to-shore gantry cranes, terminal technology, infrastructure, asset management, project management, and institutional systems.

The measure of this budget will not simply be whether expenditures increase or decrease. It will be whether the resources entrusted to the Port produce greater equipment availability, stronger infrastructure, better project execution, improved customer service, financial and operational resilience, and systems capable of enduring beyond any individual project or fiscal year.

Financial Stewardship and Structural Balance

Financial discipline remains the foundation of the FY2027 budget. The Port will continue emphasizing revenue integrity, expenditure controls, billing and collections, debt service obligations, realistic budgeting, and the long-term financial consequences of operating and capital decisions.

FY2027 assumptions will account for cargo activity, operating revenues, personnel costs, overtime, utilities, insurance, contractual obligations, debt service, maintenance requirements, capital needs, and federal reimbursements. The financial plan will continue distinguishing recurring operating obligations from stabilization and modernization investments so that one-time resources do not create unsupported recurring costs.

The pending tariff adjustment remains an important component of structural balance. The proposal updates affected labor and equipment charge out rates from a 2020 cost basis to 2025 costs, with implementation structured in two phases. The adjustment addresses the relationship between the cost of providing certain services and the rates charged for those services rather than functioning as a general increase across all Port charges.

For perspective, the combined handling and stevedoring charge for a standard stuffed import or export container would move from $326.69 to $382.22 at full implementation, while the combined charge for a live refrigerated container would move from $460.01 to $538.21. These adjustments are not equivalent to corresponding increases in retail prices. Port analysis has estimated the effect on an individual canned good at approximately one tenth of one cent.

The final FY2027 financial plan will incorporate Finance's verified projected annual revenue impact once the tariff matter is finalized. The Port will also continue strengthening non tariff revenues through leases, concessions, marina activity, commercial agreements, and other lawful opportunities while protecting fair value and operational compatibility.

Federal investment remains an important means of reducing the local burden of major infrastructure and equipment requirements. At the same time, every federally supported asset creates long term obligations involving maintenance, staffing, training, insurance, technology, spare parts, and eventual replacement. FY2027 planning will account for those obligations when evaluating the full value and sustainability of external funding.

Operations and Terminal Performance

The Port will continue refining the coordinated planning that supports vessel service, cargo movement, yard activity, equipment deployment, labor utilization, and gate operations. FY2026 reinforced how closely these functions depend upon equipment reliability, maintenance capacity, workforce availability, cargo visibility, and timely information.

FY2027 will continue improving the consistency, visibility, and predictability of terminal operations. Management will review berth utilization, crane assignments, yard sequencing, equipment allocation, labor coordination, gate activity, and cargo flow with the objective of identifying constraints before they become operational disruptions.

Performance will be evaluated through measures such as vessel productivity, equipment utilization, truck turnaround, cargo dwell, gate processing, and yard conditions. The continued development of the Terminal Operating System and related information capabilities will support better operational visibility and decision making.

Overtime remains a necessary component of a twenty-four-hour, seven day a week port. The FY2027 budget will fund overtime realistically while continuing to distinguish between overtime required by vessel schedules and essential services and overtime that may be reduced through improved scheduling, equipment reliability, staffing alignment, or operating practices.

The objective remains straightforward: move cargo safely, reliably, efficiently, and predictably.

Equipment Reliability and Modernization

Cargo handling equipment reliability is a major FY2027 priority. The reduction in Top Loader availability experienced during FY2026 demonstrated the direct relationship between equipment condition, yard productivity, truck turnaround, cargo access, vessel support, and customer service.

The Port will continue pursuing Marine Highway grant funding for three additional Top Loaders. Because this funding remains pending, the FY2027 budget will not treat the additional units as guaranteed. If awarded, the equipment will provide additional redundancy, greater flexibility for scheduled maintenance, and reduced dependence on aging units. At Guam's only commercial seaport, redundancy is continuity capacity.

Additional equipment alone will not solve equipment reliability challenges. FY2027 will continue strengthening Equipment Maintenance capability, preventive and predictive maintenance, critical spare parts planning, maintenance information, specialized technical support, equipment stewardship, and replacement planning.

Equipment Maintenance, Procurement, Finance, and affected operating divisions will continue identifying critical parts based on failure history, operational importance, manufacturer recommendations, lead times, cost, and the consequences of equipment being unavailable. The Port will also evaluate a vendor managed in house parts inventory model that could improve parts availability, reduce repetitive procurement activity, improve tracking, and shorten repair time.

The Port will evaluate maintenance management technology capable of supporting preventive and predictive maintenance scheduling, equipment history, recurring failure analysis, repair backlog, parts management, downtime tracking, and reliability reporting.

FY2027 will also advance development and procurement of a Performance Management Contract for cargo handling equipment. The contract is intended to supplement, not replace, the Port's Equipment Maintenance workforce by providing specialized maintenance support, diagnostics, scheduled maintenance, manufacturer support where appropriate, parts management assistance, technical services, surge capacity, employee training, knowledge transfer, and performance reporting.

Performance under this approach will be measured through equipment availability, preventive maintenance completion, repair turnaround, recurring failures, parts availability, documentation, and other reliability indicators.

The Port will also strengthen equipment stewardship by evaluating processes for preventable accidents, misuse, or abuse and appropriate financial accountability where permitted by law and personnel rules.

Life cycle planning will become a more systematic part of equipment management. Major equipment will be evaluated based on age, condition, utilization, maintenance history, reliability, remaining useful life, replacement lead time, replacement cost, operational criticality, and consequences of failure.

The approximately $60 million federal investment for three new ship-to-shore gantry cranes represents one of the Port's most significant modernization initiatives. FY2027 preparation will include engineering, project management, supporting infrastructure, training, maintenance planning, critical spares, and development of the technical capability required to sustain the cranes after commissioning. The measure of success will not simply be acquisition. It will be life cycle reliability.

Workforce Discipline and Organizational Capacity

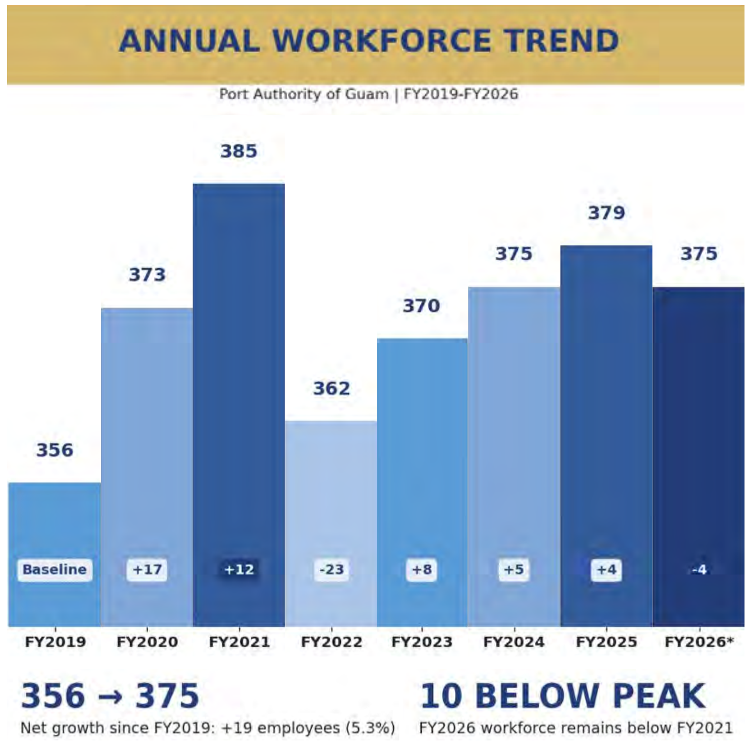
Our employees remain the foundation of the Port Authority of Guam's ability to fulfill its mission. Responsible workforce planning, however, requires more than determining how many positions the Port can afford to fill. It requires us to determine where our people are most needed, which capabilities must be strengthened, and how our workforce should evolve as the Port continues to operate, stabilize, and modernize.

Annual Workforce Trend

Since FY2020, the Port has managed vacancies as an organizational resource rather than treating every vacant position as an automatic obligation to recruit and fill. This approach allows management to evaluate positions based on operational necessity, available funding, organizational priorities, and the long term needs of the Port. The annual workforce trend demonstrates the effect of this discipline:

Fiscal Year	Employees	Annual Net Change
2019	356	Baseline
2020	373	+17
2021	385	+12
2022	362	-23
2023	370	+8
2024	375	+5
2025	379	+4
2026*	375	-4

FY2026 as of August 26, 2026.

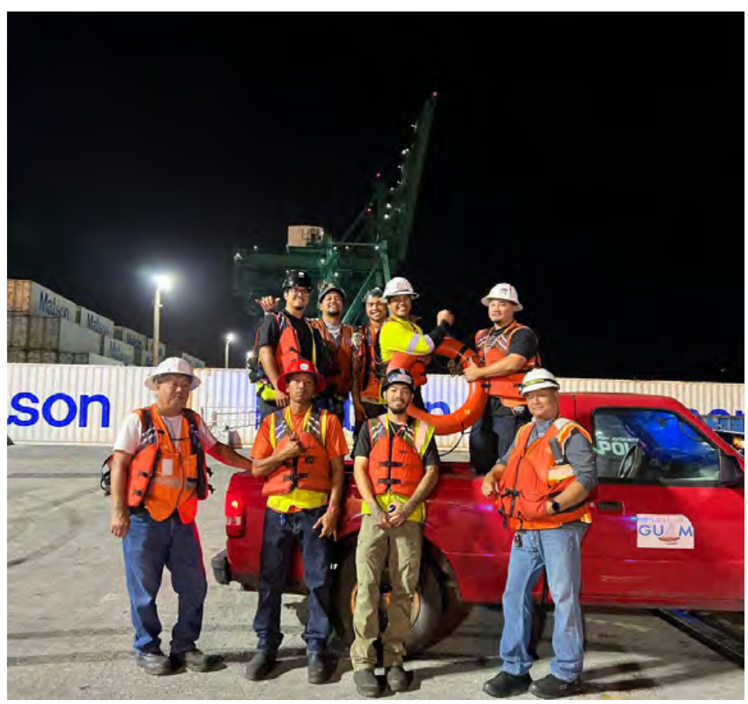


The annual progression provides important context. Employment increased from 356 employees in FY2019 to 385 in FY2021, an increase of 29 employees over two years. The workforce then declined by 23 employees in FY2022 to 362.

Since that reduction, workforce growth has been measured. Employment increased by eight employees in FY2023, five in FY2024, and four in FY2025. As of August 26, 2026, the workforce stands at 375 employees, a decrease of four from FY2025.

Viewed across the full period, the Port has added a net 19 employees since FY2019, representing approximately 5.3 percent growth over seven years. The current workforce nevertheless remains 10 employees below the FY2021 peak and is at the same overall staffing level as FY2024.

The annual pattern demonstrates that the Port has not pursued continuous workforce expansion. Staffing has increased or decreased as organizational requirements have changed, while management has continued to exercise discipline over vacancies and recruitment.



Where the Workforce Has Changed

Total headcount tells only part of the story. The composition of the workforce provides greater insight into how the organization has evolved.

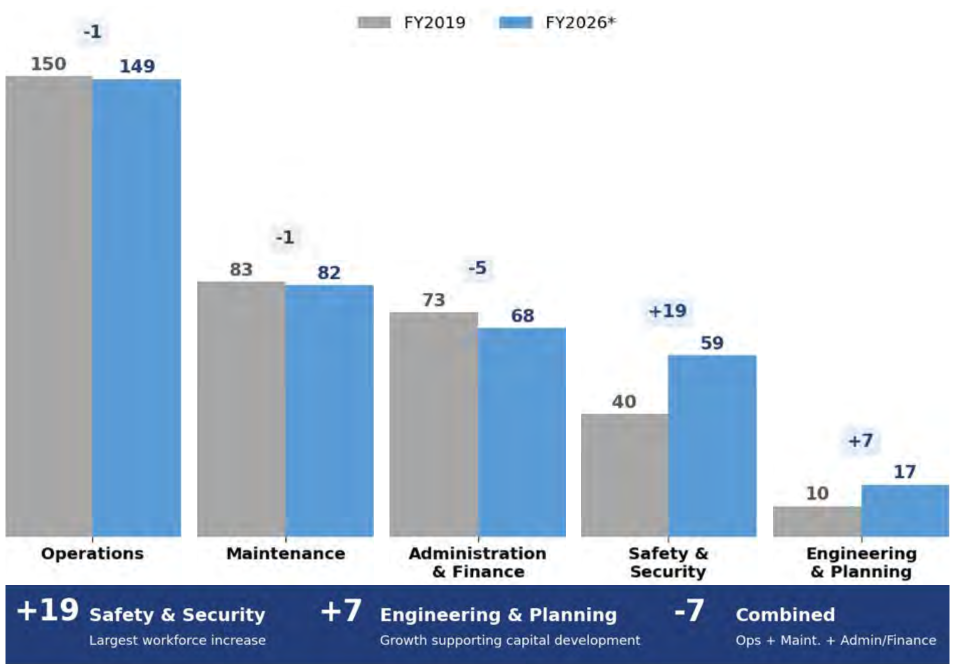
The distribution is significant. Operations employs one fewer employee than it did in FY2019. Maintenance also employs one fewer. Administration and Finance has declined by five employees. Together, these three functions employ seven fewer people than they did in FY2019.

At the same time, Safety and Security has increased by 19 employees and Engineering and Planning has increased by seven. These two areas account for the Port's net workforce growth over the period and reflect the changing demands placed upon the organization, including security, regulatory responsibilities, infrastructure development, federal funding, and capital project delivery.

The Port's workforce has therefore not simply become larger. Its composition has changed as institutional responsibilities have changed.

Function	FY2019	FY2026*	Net Change
Operations	150	149	-1
Maintenance	83	82	-1
Administration & Finance	73	68	-5
Safety & Security	40	59	+19
Engineering & Planning	10	17	+7
Total	**356**	**375**	**+19**

FY2026 as of August 26, 2026.



From Headcount to Organizational Capacity

This distinction is central to the FY2027 workforce strategy.

The operational challenges experienced during FY2026 demonstrated that equipment availability, skilled labor, maintenance capacity, critical spare parts, procurement, and effective equipment management are interconnected. Increasing headcount alone will not resolve equipment reliability or terminal productivity challenges. At the same time, equipment investments cannot achieve their intended value without employees who possess the skills necessary to operate, maintain, and manage them.

This is particularly important as the Port prepares for approximately $60 million in investment for three new ship to shore gantry cranes and pursues Marine Highway grant funding for three additional Top Loaders.

These investments require a corresponding commitment to equipment stewardship.

Operations and Maintenance staffing remain essentially at FY2019 levels. That does not establish by itself that either function is understaffed. It does, however, reinforce the need to evaluate whether these functions have the appropriate mix of classifications, skills, training, supervision, technology, equipment, and technical support necessary to sustain reliable terminal operations.

FY2027 will focus on that question rather than simply establishing a target headcount.

Continuing the Vacancy Pool

The FY2027 Budget continues the vacancy pool approach established in FY2020.

Vacancies will be evaluated based on operational necessity, organizational priority, available funding, and the contribution each position makes toward essential Port functions. The existence of an authorized position will not, by itself, determine whether recruitment should occur.

This approach provides management with the flexibility to direct personnel resources toward areas of greatest organizational need while maintaining control over personnel costs.

Priority will be placed on positions that strengthen cargo operations, equipment maintenance and skilled trades, safety and security, information technology and cybersecurity, financial and revenue controls, procurement and contract administration, and delivery of the Port's capital improvement program.

This discipline is particularly important as the Port balances personnel requirements against significant FY2027 obligations involving equipment modernization, infrastructure investment, labor costs, and the structural imbalance associated with the Port's labor charge out rate.

Aligning the Organization with Its Mission

Workforce discipline also requires us to examine whether our organizational structure continues to reflect the Port's actual needs.

The FY2027 Budget and staffing pattern eliminate the Corporate Services Manager position. This reflects a larger management principle. Positions should not be maintained simply because they historically existed. Organizational structures must evolve as responsibilities change, and personnel resources should be directed toward functions that provide the greatest operational and institutional value.

As new requirements emerge, management will first consider whether responsibilities can be absorbed, reorganized, automated, or addressed through development of existing employees before creating or filling additional positions.

Where additional staffing is necessary, the justification should be based on demonstrated organizational need.

Developing the Workforce We Have

Recruitment is only one component of workforce planning. The Port must also invest in the capabilities of the employees already serving the organization.

FY2027 will place greater emphasis on skilled trades and technical development, particularly in positions where institutional knowledge and practical experience are difficult to replace. This includes practical training, appropriate cross training, succession planning, professional development, and development of employees capable of operating and maintaining increasingly sophisticated cargo handling equipment and infrastructure.

Workforce development will complement the Port's broader equipment maintenance strategy. As the Port strengthens preventive maintenance, improves access to critical spare parts, evaluates vendor managed inventory, advances maintenance management technology, and pursues a Performance Management Contract for cargo handling equipment, employees must be prepared to work effectively within those systems.

Modern equipment requires modern maintenance practices. It also requires a workforce capable of sustaining them.

Capital Improvement and Project Execution

The Port has identified more than $300 million in capital needs while simultaneously managing an expanding portfolio of federally supported projects. FY2027 will strengthen the institutional process by which capital priorities are developed, evaluated, funded, delivered, commissioned, and closed.

The Board approved Capital Improvement Program will remain the capital framework. Within that framework, the General Manager will integrate operational, technical, financial, strategic, regulatory, security, infrastructure, and funding considerations and determine which initiatives are developed and recommended for advancement.

The 2025 Port Master Plan will continue informing capital planning, but it will not exclusively determine future capital initiatives. The Port must retain the ability to respond to changing operational requirements, federal opportunities, technology, security and regulatory requirements, military and regional needs, and other strategic priorities.

Capital Improvement Projects and Engineering will serve as the principal technical and project delivery arm for scope development, engineering, design, cost, schedule, procurement support, construction management, project controls, commissioning, delivery, and closeout. Planning will provide strategic planning, grant development and coordination, long range planning, federal coordination, and applicable environmental and grant requirements. Finance will provide financial control, funding validation, matching fund analysis, expenditure controls, grant finance, debt analysis, reporting, and evaluation of long-term financial impacts.

No single division will independently determine whether a major capital initiative advances. The General Manager will integrate these responsibilities and establish the appropriate General Manager and Board approval thresholds.

The approximately $1.45 million OLDCC Owner Agent Engineer resource will provide additional professional capacity for project controls, scheduling, technical review, procurement support, coordination, cost and risk management, and related project delivery requirements. This support supplements rather than replaces the responsibility of Port personnel, and the Owner Agent will not determine Port policy or capital priorities.

FY2027 capital decisions will be guided by clear guardrails. Projects must address an identified need, have a viable funding strategy, account for life cycle costs, establish clear ownership and accountability, and receive appropriate approval for material changes. Federal funding availability alone will not determine whether a project advances.

Project completion will also be defined more rigorously. Receiving a grant, completing design, awarding a contract, or beginning construction is not the same as completing a project. Projects must be delivered, commissioned, financially reconciled, documented, placed into service, and formally closed.

The same asset management philosophy will extend to wharves, roads, gates, buildings, lighting, electrical systems, reefer infrastructure, drainage, utilities, fencing, marinas, security systems, and other critical Port facilities.

Procurement, Contracts, and Federal Investment

FY2027 will continue strengthening acquisition planning, procurement of critical parts and equipment, contract administration, vendor accountability, and enforcement of contractual requirements.

The Port's responsibility does not end when a contract is awarded. Contract execution will receive the same attention as procurement. The Port will improve visibility across its contract portfolio, including contract value, expenditures, expiration dates, amendments, deliverables, contractor performance, renewal requirements, and the divisions responsible for administration.

The proposed cargo equipment Performance Management Contract illustrates this approach. The value of the contract will be measured by improved equipment availability, maintenance performance, technical support, knowledge transfer, and measurable results rather than by the existence of the contract itself.

Federal investment will be managed with the same discipline. The approximately $60 million gantry crane investment, approximately $1.45 million OLDCC Owner Agent Engineer support, and pending Marine Highway grant request for Top Loaders represent different stages and types of external investment. FY2027 planning will clearly distinguish awarded funding from pending opportunities and evaluate the long-term obligations associated with each.

Technology and Systems Modernization

Technology modernization will continue as an operational and institutional initiative rather than solely an Information Technology project. The Terminal Operating System affects cargo visibility, yard operations, billing, customer service, security, vessel operations, reporting, and management decision making.

FY2027 will continue moving from implementation toward integration, internal ownership, data governance, cybersecurity, training, adoption, and long-term system administration. The objective is to develop sufficient internal capability to operate and administer critical systems without indefinite dependence on outside vendors.

Technology will also support equipment maintenance information, reliability analysis, financial controls, project management, cybersecurity, performance reporting, and other functions necessary to operate a modern port.

Governance, Continuity, Safety, and Readiness

The FY2027 budget will continue strengthening institutional continuity so that Port operations, financial obligations, regulatory responsibilities, and approved programs can continue even when governance circumstances temporarily limit normal Board action.

Budget survivability and appropriate financial flexibility will remain subject to applicable law, debt obligations, procurement requirements, financial controls, grant conditions, and existing Board authority. These mechanisms are intended to preserve continuity, not create new programs or expenditure purposes without proper authorization.

Safety and security will remain integrated into modernization. Maritime security, Port Police capability, cybersecurity, emergency preparedness, access control, employee training, regulatory compliance, and coordination with territorial and federal partners are continuing operational requirements.

FY2026 also reinforced the Port's role in emergency and regional logistics. Severe weather, regional recovery requirements, essential cargo and fuel movements, and the strategic importance of Guam's supply chain require the Port to plan for resilience, redundancy, emergency response, military readiness, fuel security, and continuity of essential services.

Performance, Accountability, and FY2027 Outcomes

Significant FY2027 investments will be tied to measurable performance and implementation milestones. Equipment initiatives will be evaluated through availability and reliability. Maintenance will be evaluated through preventive maintenance completion, repair turnaround, recurring failures, parts availability, and downtime. Operations will be evaluated through vessel productivity, equipment utilization, truck turnaround, cargo dwell, gate activity, and yard performance.

Capital projects will be evaluated through schedule, cost, delivery, commissioning, and closeout. Technology initiatives will be evaluated through implementation, adoption, system performance, cybersecurity, and development of internal capability. Financial performance will include revenue integrity, collections, expenditure control, debt obligations, and overall financial condition. Procurement and contract administration will be evaluated through acquisition performance, execution, deliverables, and contractor accountability.

Division heads and managers will remain accountable for execution within their areas of responsibility, while the General Manager will maintain overall responsibility for integrating priorities and reporting material progress, delays, risks, and corrective actions to the Board.

FY2027 planning will also include a rolling multi year financial and operating outlook extending beyond the current fiscal year. The outlook will consider anticipated revenues, operating obligations, personnel requirements, debt, cargo equipment, gantry cranes, the Performance Management Contract, technology, capital commitments, federal grant obligations, maintenance requirements, and other material considerations affecting FY2028 and FY2029.

The objective is to institutionalize progress. Financial discipline must become institutional discipline. Preventive maintenance must become standard practice. Capital accountability must become part of governance. Technology must become integrated into everyday operations. Federal investment must result in assets the Port can sustain. Budget authority must carry accountability for results.

The FY2027 budget will ultimately be measured not by whether expenditures rise or fall, but by whether the resources entrusted to the Port produce equipment availability, stronger infrastructure, better project execution, improved customer service, and greater financial and operational resilience.

ATTACHMENT A TO THE PORT AUTHORITY OF GUAM FISCAL YEAR 2027 BUDGET ACT
ADMINISTRATIVE AND MISCELLANEOUS PROVISIONS

Adopted by the Board of Directors as an integral part of the Port Authority of Guam Fiscal Year 2027 Budget Act

PART I. ADMINISTRATIVE PROVISIONS

1. Additional Spending Authority

The General Manager is authorized to increase the total Fiscal Year 2027 approved expenditure ceiling of the Port Authority of Guam by up to five percent above the expenditure level authorized by the Board of Directors, provided sufficient revenues, reserves, grant funds, reimbursements, or other lawful resources are available to support the additional expenditures.

The Chief Financial Officer shall provide the financial analysis necessary to determine the availability of sufficient lawful resources to support any increase authorized under this section.
Any additional expenditure authority available under this section shall remain subject to the approval and control of the General Manager. No division, office, program, project, position, or expenditure category shall have an automatic entitlement to any portion of the additional expenditure authority.

The General Manager shall determine whether additional expenditure authority is necessary, the amount to be authorized, the timing of the authorization, and the purposes for which the authority may be used. The General Manager may authorize the additional expenditure authority in whole or in part and may allocate, withhold, modify, or discontinue such authority during the fiscal year based on revenue performance, available resources, operational requirements, financial conditions, emergencies, material needs, or other circumstances affecting the Port.

Additional expenditure authority under this section shall be limited to purposes, programs, activities, projects, positions, and expenditure categories otherwise authorized by the Fiscal Year 2027 Budget Act, Board approved Capital Improvement Program, Board action, or other lawful authority.

Nothing in this section shall independently authorize a new program, project, position, activity, or expenditure purpose that has not otherwise been authorized.

All expenditures under this section shall remain subject to applicable law, procurement requirements, debt obligations, grant conditions, and financial controls.

2. Budget Transfer and Realignment Authority

The Board of Directors recognizes that, since Fiscal Year 2019, the General Manager has been provided budget transfer authority as a management tool to administer the Port Authority of Guam's approved annual budget, respond to changing operational and financial requirements, and direct available resources where they are most needed. This authority has been exercised through successive fiscal years while the Port has maintained financial accountability and received clean independent financial audits. The Board finds that this longstanding authority has provided necessary flexibility for management to administer the Port's budget while remaining within the overall expenditure authority and financial controls established by the Board.

Consistent with this established practice, the General Manager is authorized to transfer, realign, or otherwise adjust approved budget authority among divisions, offices, programs, accounts, object classes, and expenditure categories of the Port Authority of Guam when necessary to address operational requirements, changing priorities, unanticipated needs, expenditure trends, vacancies, procurement requirements, project implementation, or other circumstances affecting execution of the Port Authority of Guam Fiscal Year 2027 Budget Act.

Any transfer or realignment shall remain within the total expenditure authority available to the Port and shall not, by itself, increase the overall expenditure ceiling established by the Board of Directors.

The Chief Financial Officer shall provide the financial analysis and accounting support necessary to document transfers and realignments and maintain the accuracy of the Port's budget and financial records.

The General Manager shall determine the amount, timing, source, and destination of any transfer or realignment and may modify or reverse a transfer when operational or financial circumstances warrant.

No division, office, program, account, or expenditure category shall have an automatic entitlement to retain an allocation when the General Manager determines that available resources should be redirected to another authorized Port requirement.

Nothing in this section shall authorize the use of restricted funds for an unauthorized purpose, impair debt service or other contractual obligations, violate grant conditions, create an unauthorized position, program, project, or expenditure purpose, or exempt any expenditure from applicable law, procurement requirements, personnel rules, financial controls, or Board authority.

3. Contract Continuity and Expiring Agreements

The General Manager is authorized to take the actions necessary to renew, extend, replace, competitively procure, modify, terminate, allow to expire, or otherwise address any contract, agreement, lease, license, subscription, maintenance arrangement, professional service, equipment support agreement, or other continuing obligation when such action is necessary or appropriate to maintain Port operations, protect the interests of the Port Authority of Guam, or avoid disruption. In exercising this authority, the General Manager may consider operational need, contractor performance, cost, funding availability, procurement requirements, market conditions, service continuity, technological requirements, changing organizational needs, and the long term interests of the Port.

The General Manager may direct the responsible division, Procurement and Supply, Finance, Legal, and other affected divisions or offices to initiate the necessary review, procurement, negotiation, administrative action, or other appropriate process sufficiently in advance of expiration.

Where continuity of an essential service or operational requirement may be materially affected by expiration of an agreement, the General Manager may establish internal deadlines and require the responsible division or office to initiate appropriate action before the expiration date.

Nothing in this section shall exempt any contract, extension, renewal, amendment, procurement, lease, agreement, or other action from applicable procurement laws and regulations, funding requirements, contractual terms, or other legal requirements.

4. Vacancy Pool and Position Management

Beginning in Fiscal Year 2020, the Port Authority of Guam discontinued the practice of funding vacant positions individually by position and instead implemented a vacancy pool as a centralized workforce and budget management mechanism. The Port shall continue this practice for Fiscal Year 2027.

The Board of Directors shall establish the total funding level available for the vacancy pool through the approved Fiscal Year 2027 Budget Act. The authorization of a position within the staffing pattern shall not constitute a separate appropriation or funding authorization for that position.

The vacancy pool shall be administered under the authority and control of the General Manager. Within the total funding level authorized by the Board, the General Manager shall determine which authorized vacant positions may be recruited and filled based on operational need, workload, organizational priorities, available funding, succession requirements, changes in technology or work processes, and the capabilities necessary to support the Port's current and anticipated responsibilities.

No division, office, manager, or vacant position shall have an automatic entitlement to vacancy pool funding solely because a position remains authorized within the staffing pattern.

The General Manager may prioritize vacancy pool funding for positions necessary to support cargo operations, equipment maintenance and reliability, safety, security, engineering, capital project execution, technology, financial management, revenue protection, regulatory compliance, and other essential Port functions.

The General Manager may determine that an authorized vacant position should remain unfilled, that vacancy pool resources should be redirected to another authorized staffing requirement, or that the position should be evaluated for reassignment, organizational realignment, reclassification, or future abolition through the appropriate process.

The vacancy pool shall not be administered solely as a headcount reduction mechanism. Its purpose is to provide management flexibility to direct limited personnel funding toward the positions and capabilities most necessary to meet the Port's operational and institutional requirements.

Nothing in this section shall authorize the creation, abolition, reclassification, or modification of a classified or unclassified position except in accordance with applicable law, Board authority, personnel rules, and the approved staffing pattern.

5. Federal Grants, Matching Funds, and External Funding Authority

The General Manager is authorized to identify, pursue, apply for, negotiate, and otherwise seek federal grants, reimbursements, cooperative agreements, appropriations, financial assistance, and other external funding opportunities that may benefit the Port Authority of Guam or support its operational, equipment, infrastructure, security, resiliency, technology, environmental, planning, economic development, or other institutional priorities.

The authority to pursue funding under this section shall not be limited solely to projects or initiatives already included in the approved annual budget, Capital Improvement Program, Port Master Plan, or prior Board action. The General Manager may pursue funding opportunities for projects and initiatives that management determines may advance the Port's mission, operational requirements, strategic interests, or future capital needs.

The pursuit or application for funding shall not, by itself, constitute authorization to expend Port funds, commence construction, establish a new program or position, or otherwise implement a project where separate approval is required by law, Board action, or the approved budget.

Upon award or availability of external funding, the General Manager is authorized to accept, administer, and implement such funding and to provide required matching funds or combine external funding with Port revenues, reserves, bond proceeds, reimbursements, or other lawful resources to the extent the underlying project, program, activity, or expenditure is otherwise authorized or subsequently approved through the applicable process.

The General Manager shall determine the appropriate funding strategy, including the amount and source of any Port matching funds, subject to available resources, grant conditions, debt obligations, financial controls, and applicable law.

The General Manager shall provide the Board of Directors with a monthly report summarizing material funding opportunities pursued, applications submitted, awards received, and significant implementation activity under this section.

6. Equipment and Asset Life Cycle Planning Project

The Port Authority of Guam shall establish an Equipment and Asset Life Cycle Planning Project as a coordinated initiative of the Equipment Maintenance Division and Operations Division, including Transportation, to improve equipment reliability, preventive maintenance, operational readiness, replacement planning, and long term equipment stewardship.

The project shall be administered under the direction of the General Manager, with the Deputy General Manager for Operations responsible for coordinating implementation among the Equipment Maintenance Division and Operations Division, including Transportation.

Equipment Maintenance and Operations, including Transportation, shall jointly identify and evaluate major cargo handling equipment, vehicles, transportation equipment, and other critical operational assets based on age, condition, utilization, maintenance history, reliability, remaining useful life, replacement lead time, estimated replacement cost, operational criticality, and the consequences of equipment failure or unavailability.

Equipment Maintenance shall provide the principal maintenance and technical information necessary to evaluate equipment condition, repair history, preventive maintenance requirements, recurring failures, parts requirements, technical support needs, and anticipated remaining useful life.

Operations, including Transportation, shall provide the principal operational information concerning equipment utilization, availability requirements, deployment, workload, operator experience, service demands, and the operational consequences associated with equipment downtime or replacement.

The project shall identify anticipated maintenance, rehabilitation, replacement, and acquisition requirements and shall develop recommendations for equipment replacement schedules, critical spare parts, preventive maintenance, vendor support, procurement timing, training, and other measures necessary to improve equipment availability and reduce avoidable operational disruption.

The results of the project shall inform the Port's annual budget, equipment acquisition and replacement planning, Capital Improvement Program, grant strategy, procurement planning, reserve planning, and multi year financial and operating outlook.

The General Manager shall establish the project requirements, priorities, methodology, reporting format, implementation schedule, participating personnel, and other administrative requirements necessary to carry out this section.

7. Performance Accountability and Multi Year Planning

The Port Authority of Guam shall maintain a performance accountability and multi year planning process to strengthen management oversight, measure progress on significant initiatives, identify emerging requirements, and support informed financial and operational decision making.
The General Manager shall establish and administer the framework, performance measures, milestones, reporting requirements, and management responsibilities necessary to implement this section.

Under the direction of the General Manager, the Deputy General Manager for Operations and the Deputy General Manager for Administration and Finance shall coordinate implementation of the performance accountability process within their respective areas of responsibility and shall assist in identifying material operational, organizational, financial, and implementation issues requiring management attention.

Significant operating, capital, equipment, maintenance, technology, financial, security, and modernization initiatives shall be evaluated using appropriate performance measures, milestones, schedules, financial information, or other indicators established by the General Manager. Management shall periodically assess progress, delays, risks, cost impacts, results, and corrective actions and shall report material matters to the Board of Directors as appropriate.

The Port shall maintain a rolling multi year financial and operating outlook addressing anticipated revenues, personnel costs, operating obligations, debt service, equipment requirements, capital commitments, grant requirements, maintenance needs, reserves, and other material financial and operational requirements.

The General Manager and Chief Financial Officer shall establish the financial assumptions, methodology, planning horizon, and level of detail necessary for the multi year financial outlook.

The outlook shall inform development of future annual budgets, the Capital Improvement Program, equipment replacement planning, grant strategies, debt and reserve planning, compensation decisions, major procurements, and other significant long term commitments.

Nothing in this section shall create independent expenditure authority or require continuation of a program, project, position, or initiative that management determines should be modified, deferred, or discontinued.

8. Implementation of Approved Tariff Adjustments

Upon approval of any tariff adjustment by the Public Utilities Commission or other lawful authority, the General Manager is authorized to take the actions necessary to implement and administer the approved tariff adjustment on behalf of the Port Authority of Guam.

The General Manager may revise revenue projections, billing procedures, financial assumptions, operating plans, and related administrative practices necessary to implement the approved tariff adjustment and incorporate its effects into the Port's financial and operating activities.

The Chief Financial Officer shall monitor revenues resulting from the tariff adjustment and its effect on the Port's financial performance, including operating revenues, debt service requirements, reserves, and other material financial obligations.
Under the direction of the General Manager, the Deputy General Manager for Administration and Finance shall coordinate implementation among Finance, Commercial, and other affected divisions and offices to ensure that approved tariff changes are properly incorporated into billing, revenue collection, financial reporting, and related administrative processes.

Based upon actual revenue performance, the General Manager may make corresponding administrative and budget management adjustments within the expenditure authority otherwise available to the Port to maintain financial stability, debt service compliance, appropriate reserves, and continuity of operations.

Nothing in this section shall authorize the General Manager to independently establish or increase tariff rates or charges requiring approval by the Public Utilities Commission or other lawful authority, nor shall this section independently increase the expenditure authority established by the Board.

PART II. MISCELLANEOUS PROVISIONS

1. Continuity During Loss of Board Quorum

The Board of Directors recognizes that continuity provisions and budget ceiling adjustment authority have previously been authorized to protect the Port Authority of Guam from disruption when circumstances affecting Board governance prevent timely action on an annual budget. Since Fiscal Year 2019, the Port's operating expense budget has increased at an average annual rate of approximately 2.9 percent. The five percent authority provided under this section establishes a reasonable maximum level of annual flexibility during an extended loss of Board quorum and shall not constitute an automatic increase in expenditures.

If the Board of Directors is unable to achieve a quorum and, as a result, is unable to adopt an annual budget for a fiscal year succeeding Fiscal Year 2027, the Fiscal Year 2027 Budget Act shall remain in effect and shall serve as the continuing operating budget of the Port Authority of Guam until the Board is able to achieve a quorum and adopt a succeeding annual budget.

For each succeeding fiscal year in which the Board remains unable to achieve a quorum and approve an annual budget, the General Manager is authorized to increase the total authorized expenditure ceiling by up to five percent above the authorized expenditure ceiling for the immediately preceding fiscal year, provided sufficient lawful revenues, reserves, grants, reimbursements, or other available resources exist to support the increase.

Any additional expenditure authority available under this section shall remain under the approval and control of the General Manager. No division, office, program, project, or expenditure category shall have an automatic entitlement to any portion of the additional expenditure authority.

The General Manager shall determine whether additional expenditure authority is necessary, the amount to be authorized, the timing of such authorization, and the purposes for which it may be used, consistent with the continuing budget, operational requirements, available resources, and applicable law.

The General Manager may authorize the additional expenditure authority in whole or in part and may allocate, withhold, modify, or discontinue such authority during the fiscal year based on revenues, operating conditions, financial performance, emerging requirements, or other material considerations affecting the Port.

The authority provided under this section shall apply separately to each succeeding fiscal year for as long as the Board remains unable to achieve a quorum and approve an annual budget. Any increase authorized for a succeeding fiscal year shall become the expenditure ceiling from which the allowable increase for the next succeeding fiscal year is calculated.

During any period in which the Port is operating under this continuity provision, the General Manager is authorized to exercise the administrative, personnel, procurement, contracting, capital, financial, grant, equipment, organizational, and other authorities previously approved by the Board and necessary to maintain Port operations, financial stability, regulatory compliance, safety, security, maintenance, capital activities, and continuity of essential services, subject to applicable law.

Upon restoration of a quorum, the Board of Directors may adopt a succeeding annual budget, amend the continuing budget, modify any authority exercised under this section, or otherwise exercise its lawful powers. Upon adoption of a succeeding annual budget, that budget shall supersede the continuing budget established under this section.

2. Corporate Services Organizational Realignment

The Board of Directors finds that the Corporate Services Manager position is currently vacant and that the continuing functions previously administered through the Corporate Services Division have already been reassigned for operational purposes, including the assignment of one employee to the Office of the General Manager and one employee to General Administration.

Upon adoption of the Port Authority of Guam Fiscal Year 2027 Budget Act and staffing pattern, the Corporate Services Manager position shall be eliminated from the Port Authority of Guam staffing pattern.

The General Manager is authorized to maintain, modify, or further realign the placement of the continuing functions, duties, responsibilities, and personnel previously associated with the Corporate Services Division among existing divisions, offices, managers, supervisors, or other appropriate positions within the Port Authority of Guam based on operational need, efficiency, accountability, workload, and management responsibility.

The General Manager shall provide written notice of the elimination of the Corporate Services Manager position to the Director of the Department of Administration and shall take such administrative action as may be necessary to ensure that the Port's official staffing, classification, personnel, and budget records accurately reflect elimination of the position.

Once eliminated pursuant to this section, the Corporate Services Manager position shall not be restored, reinstated, or otherwise returned to the Port Authority of Guam staffing pattern solely through subsequent Board action or approval of a future annual budget or staffing pattern.

Any future establishment of a Corporate Services Manager position, or a substantially similar position intended to perform the same management functions, shall be treated as the establishment of a new position and shall be subject to the applicable statutory requirements governing creation of new positions, including applicable transparency, disclosure, public notice, fiscal review, and other requirements established by law.

Nothing in this section shall impair any lawful personnel right or prevent the General Manager from assigning the continuing functions formerly associated with the Corporate Services Division to existing positions or organizational units consistent with applicable law, personnel rules, classification requirements, and Board policy.

3. Compensation Market Adjustment Authority

Consistent with the compensation framework previously established by the Board of Directors, including Resolution No. 2016-04, the General Manager is authorized to adjust the Port Authority of Guam's compensation market position from the twenty fifth market percentile to no more than the thirtieth market percentile.

Implementation of any adjustment under this section shall be subject to a determination by the General Manager, with financial analysis and certification by the Chief Financial Officer, that sufficient recurring revenues or other lawful and sustainable funding sources are available to support the resulting recurring compensation costs without materially impairing the Port's operating requirements, debt obligations, capital commitments, reserve requirements, or other financial responsibilities.

The General Manager shall determine the timing and manner of implementation and may implement the adjustment in whole, in part, or in phases, or may defer implementation, based upon available funding, operational requirements, recruitment and retention considerations, and the financial condition of the Port.

Nothing in this section shall require implementation of the full thirtieth market percentile. The thirtieth market percentile shall constitute the maximum market position authorized under this section, and implementation shall remain subject to applicable law and personnel rules.

4. Port Police Hazard Pay Review and Policy Development Authority

The General Manager is authorized to evaluate the fiscal, operational, legal, and personnel requirements associated with establishing hazard pay for eligible Port Police personnel.

Under the direction of the General Manager, the Deputy General Manager for Operations and the Deputy General Manager for Administration and Finance shall jointly coordinate the review within their respective areas of responsibility, including operational requirements, assignment conditions, personnel administration, fiscal impact, and implementation considerations.

The review shall identify the duties, assignments, working conditions, or other circumstances that may warrant hazard pay and shall evaluate appropriate eligibility requirements, qualifying conditions, rates or methodology, administrative controls, funding requirements, and projected fiscal impact.

The General Manager may direct Port Police, Personnel Services, Finance, Legal, and other appropriate divisions or offices to provide information, analysis, or assistance necessary to complete the review.

The General Manager is authorized to develop a proposed Port Police hazard pay policy based on the results of the review. Any proposed policy shall identify eligible personnel or assignments, qualifying conditions, the amount or method of calculation, applicable limitations, funding source, administrative controls, and anticipated annual fiscal impact.

No hazard pay shall be implemented solely by virtue of this section. Any proposed hazard pay program shall remain subject to sufficient available funding and any approval required by applicable law, personnel rules, or Board authority.

5. Cargo Handling Equipment Performance Management Contract Authority

The General Manager is authorized to develop and procure a Performance Management Contract for cargo handling equipment, including Top Loaders and other critical cargo handling equipment as determined appropriate by the General Manager, pursuant to applicable procurement laws and regulations.

Under the direction of the General Manager, the Deputy General Manager for Operations shall coordinate implementation of this initiative with the Equipment Maintenance Division, Operations Division, and other affected divisions and offices.

The Performance Management Contract may include specialized maintenance support, diagnostics, preventive and scheduled maintenance, manufacturer or dealer support where appropriate, parts management and critical spare parts support, technical services, surge maintenance capacity, employee training, knowledge transfer, maintenance documentation, equipment condition assessment, performance reporting, and other services necessary to improve equipment availability, reliability, and useful life.

The General Manager shall determine the equipment included within the contract, required performance standards, scope and level of contractor support, contract term, performance measures, and other requirements necessary to meet the Port's operational needs, subject to available funding and applicable procurement requirements.

The Performance Management Contract shall be structured to supplement and strengthen the Port's Equipment Maintenance workforce rather than replace it. To the extent practicable, the contract shall incorporate employee training, technical development, knowledge transfer, improved maintenance practices, and other measures intended to strengthen the Port's internal maintenance capability.

Performance may be measured through equipment availability, preventive maintenance completion, repair turnaround time, recurring equipment failures, parts availability, maintenance documentation, or other measures established by the General Manager.

The General Manager may use funds appropriated or otherwise lawfully available for equipment maintenance, repair, parts, technical services, training, or other authorized equipment reliability purposes to support the contract.

Nothing in this section shall be construed to select a contractor, direct an award, restrict lawful competition, or exempt the procurement from applicable procurement laws and regulations.

6. Capital Improvement Program Governance and Implementation Authority

The General Manager is authorized to develop, implement, and administer a formal Capital Improvement Program governance process consistent with the Board approved Capital Improvement Program.

Under the direction of the General Manager, the Deputy General Manager for Operations and the Deputy General Manager for Administration and Finance shall coordinate implementation of the Capital Improvement Program within their respective areas of responsibility and assist in resolving operational, administrative, financial, and organizational matters affecting project development and delivery.

The governance process shall establish project development requirements, project documentation standards, funding and financial review requirements, implementation controls, reporting requirements, and the respective principal responsibilities of Capital Improvement Projects and Engineering, Planning, Finance, affected operating divisions, and other appropriate offices.

The Board approved Capital Improvement Program shall serve as the principal framework for development and advancement of capital initiatives. The Port Master Plan and other applicable planning documents shall inform capital planning and project development but shall not operate as an exclusive limitation on capital initiatives that may be developed or recommended when operational, regulatory, security, infrastructure, funding, resiliency, or other institutional requirements support advancement.

The Capital Improvement Program governance process shall maintain clear institutional guardrails between the technical responsibilities of Capital Improvement Projects and Engineering and the financial responsibilities of Finance.

Capital Improvement Projects and Engineering shall have principal responsibility for project scope development, engineering, design, technical specifications, technical review, construction administration, project schedules, technical evaluation of proposed changes, and verification that work performed conforms to approved technical requirements.

Finance shall have principal responsibility for determining and verifying funding availability, identifying funding restrictions and financial requirements, evaluating fiscal impact, monitoring project budgets and expenditures, maintaining appropriate financial controls, and ensuring that project commitments and payments are supported by lawful and available funding.

Capital Improvement Projects and Engineering shall not independently commit Port funds, determine the availability or source of funding, authorize expenditures beyond delegated authority, or make financial commitments on behalf of the Port.

Finance shall not independently establish or modify engineering scope, technical specifications, design requirements, construction standards, or other technical determinations assigned to Capital Improvement Projects and Engineering.

Planning shall have principal responsibility for strategic planning coordination, grant development, federal funding opportunities, and alignment with applicable planning documents.

The Capital Improvement Program governance process shall provide for appropriate consultation with affected division heads and end users during project development, including identification of operational requirements, development of scope, evaluation of alternatives, and consideration of material changes that may affect the intended use or operation of a project.

Neither the technical determination of Capital Improvement Projects and Engineering nor the identification of available funding by Finance shall, standing alone, constitute authorization to proceed with a capital initiative.

The General Manager shall make the management determination whether and how a capital initiative advances after considering the technical, operational, financial, strategic, and institutional requirements of the Port and in consultation with the affected division head and appropriate end users of the proposed project, facility, equipment, or asset, subject to applicable law and Board authority.

No single division or office shall independently determine whether a major capital initiative proceeds. Major capital decisions shall be coordinated through the governance process established by the General Manager.

The General Manager is authorized to establish appropriate internal project review procedures and may require that proposed capital initiatives demonstrate an identified operational or institutional need, an appropriate funding strategy, reasonable life cycle cost considerations, identified ownership and accountability, and appropriate review of material changes in scope, cost, schedule, or funding.

Material changes in project scope, cost, schedule, funding source, or implementation strategy shall be coordinated through the governance process established by the General Manager so that the technical, operational, and financial consequences of the proposed change are evaluated before management action is taken.

The availability of federal grant funding or another external funding source shall not, by itself, determine whether a capital project is advanced. The General Manager shall determine whether the project is consistent with the Port's operational requirements, strategic priorities, financial capacity, long term obligations, and Board approved capital framework.

The General Manager may obtain appropriate professional, technical, financial, engineering, legal, or other assistance necessary to support implementation of the Capital Improvement Program, subject to applicable procurement requirements and available funding.

7. Bond Financing and Capital Investment Authority

The Board of Directors reaffirms and continues the authority and policy established under Board Resolution Nos. 2024-07 and 2025-38 concerning bond borrowing and related financial commitments in support of the Port Authority of Guam's strategic capital improvements and Port readiness objectives.

Consistent with these prior Board actions, the General Manager is authorized to continue pursuing and implementing bond financing to leverage matching funds for federal awards, acquire up to three ship to shore gantry cranes, rehabilitate wharves and piers, including improvements necessary for crane installation, finance other critical infrastructure facilities, and provide for the refunding or refinancing of the 2018 Revenue Bond.

Bond financing may be combined with federal grants and other lawfully available resources consistent with the Board's established strategy of leveraging federal investment and shall not be construed as requiring bond proceeds to fully finance the Port's modernization program.

The Chief Financial Officer shall provide the financial analysis and coordination necessary to support the financing strategy, including evaluation of debt capacity, debt service requirements, financial covenants, revenue requirements, reserves, financing alternatives, and the Port's ability to meet its continuing financial obligations.

The General Manager shall determine the timing, financing strategy, capital priorities, and actions necessary to advance the financing program, taking into consideration the financial analysis of the Chief Financial Officer, project readiness, federal funding opportunities, operational requirements, and the Port's overall capital program, subject to applicable law and any governmental or regulatory approvals required for the issuance of debt.

8. Public Utilities Commission Submission and Continuity Authority

The Board of Directors recognizes that certain contracts, obligations, capital expenditures, professional services, financing arrangements, amendments, and other matters of the Port Authority of Guam require review or prior approval by the Guam Public Utilities Commission pursuant to applicable law and the Port Authority Contract Review Protocol established under PAG Docket 09-01.

The Board further recognizes that it has previously provided continuity authority permitting the General Manager, during a period in which the Board is unable to achieve a quorum, to present matters requiring Public Utilities Commission review or approval so that the absence of a Board quorum does not unnecessarily interrupt or delay Port operations. This authority has previously been utilized in practice. Following prior Board action providing such continuity authority, the Port presented a petition involving the procurement of nine terminal yard tractors to the Public Utilities Commission. The Public Utilities Commission accepted and proceeded upon the Port's petition, opened PAG Docket 24-02, and undertook review of the proposed contract award. This history provides additional precedent for continuing such authority as part of the Port Authority of Guam Fiscal Year 2027 Budget Act.

When a matter requires submission to or approval by the Public Utilities Commission and the Board of Directors is unable to achieve a quorum necessary to take the Board action ordinarily required to advance the matter, the General Manager is authorized, on behalf of the Port Authority of Guam, to prepare, execute, file, transmit, prosecute, supplement, amend, and otherwise advance the petition, application, request, certification, and other documentation necessary to obtain Public Utilities Commission review or approval.

The authority provided under this section may be exercised for contracts, obligations, capital expenditures, professional services, financing arrangements, amendments, renewals, extensions, procurements, and other matters subject to Public Utilities Commission jurisdiction or review, including matters exceeding applicable monetary thresholds established by law or Public Utilities Commission order.

Exercise of this authority shall not waive, replace, or otherwise eliminate any review or approval required by the Public Utilities Commission and shall not exempt the underlying procurement, contract, obligation, expenditure, financing arrangement, or other action from applicable procurement laws and regulations, funding requirements, financial controls, or other requirements of law.

This authority shall be exercised only when the Board is unable to achieve a quorum and the General Manager determines that delaying submission until restoration of a Board quorum could materially delay or adversely affect Port operations, procurement, equipment acquisition or maintenance, capital projects, federal funding, financing, contractual continuity, regulatory compliance, or other material interests of the Port.

The General Manager shall report any action taken pursuant to this section to the Board of Directors at the first meeting following restoration of a quorum.

PART III. EFFECTIVE DATE AND CONTINUING EFFECT

Effective Date and Continuing Effect

Notwithstanding any other provision of the Port Authority of Guam Fiscal Year 2027 Budget Act, the Miscellaneous Provisions contained in Attachment A shall become effective immediately upon adoption of the Budget Act by the Board of Directors.

Unless otherwise expressly limited by its terms, any authority, delegation, policy, organizational action, program authorization, or other action authorized under the Miscellaneous Provisions may be exercised immediately upon adoption of the Budget Act and shall remain in full force and effect thereafter.

Any such authority or provision shall continue during subsequent fiscal years and under subsequent Port Authority of Guam Budget Acts without the need for annual reenactment or restatement, unless expressly repealed, amended, superseded, or otherwise modified by the Board of Directors or by applicable law. The omission of a continuing Miscellaneous Provision from a subsequent Budget Act shall not, by itself, constitute its repeal or expiration.

Nothing in this section shall extend an authority expressly limited by its terms to a particular fiscal year, specific event, period, or condition.

The continuing effect of a Miscellaneous Provision shall not, by itself, carry forward or increase any appropriation, expenditure ceiling, personnel funding level, vacancy pool funding, division or program allocation, or other funding authorization established specifically for Fiscal Year 2027.

All Fiscal Year 2027 appropriations, expenditure ceilings, personnel funding levels, vacancy pool funding, division and program allocations, and other Fiscal Year 2027 funding authorizations shall become effective on October 1, 2026, unless otherwise expressly provided.

Jose D. Leon Guerrero Commercial Port

FY 2027 Proposed Budget

For Review by the Board of Directors

August 31, 2026 – Meeting of the Board of Directors

PORT AUTHORITY OF GUAM
JOSE D. LEON GUERRERO COMMERCIAL PORT

FY-2027
PROPOSED BUDGET

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FY-2027
PROPOSED BUDGET
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1	*Cargo Revenues*	*45,748,421*	*43,013,305*	*28,422,487*	*42,633,731*	*2,735,116*	*3,114,690*
2	*Non Cargo Revenues*	*14,664,338*	*14,062,793*	*8,948,757*	*13,423,136*	*601,545*	*1,241,202*
3	***TOTAL REVENUES***	***60,412,759***	***57,076,099***	***37,371,244***	***56,056,866***	***3,336,661***	***4,355,893***
4							
5	***Divisional - Salaries & Benefits***						
6	*Management & Employee Salaries*	*26,884,382*	*25,053,152*	*13,655,731*	*20,483,596*	*1,831,230*	*6,400,786*
9	*Holiday Work*	*328,990*	*257,389*	*219,326*	*328,990*	*71,601*	*0*
10	*Sick Leave Used*	*0*	*0*	*754,629*	*1,131,943*	*0*	*-1,131,943*
11	*Annual Leave Earned*	*0*	*0*	*1,299,255*	*1,948,882*	*0*	*-1,948,882*
13	*Comp Time Taken*	*0*	*0*	*0*	*0*	*0*	*0*
14	*Typhoon Salaries*	*0*	*0*	*900,704*	*1,351,056*	*0*	*-1,351,056*
15	*Labor Cost Salaries*	*-4,125,285*	*-2,759,394*	*-25,864*	*-38,797*	*-1,365,891*	*-4,086,489*
16	*Vacancy Pool*	*1,200,000*	*1,200,000*		*0*	*0*	*1,200,000*
17	***Regular Salaries***	***24,288,086***	***23,751,146***	***16,803,780***	***25,205,670***	***536,940***	***-917,584***
20	*Night Differential/Hazard Pay*	*834,255*	*1,114,128*	*556,170*	*834,255*	*-279,873*	*0*
21	*Overtime*	*2,282,680*	*2,031,346*	*1,320,133*	*1,980,200*	*251,334*	*302,480*
22	*Labor Cost Overtime*	*-314,364*	*-478,957*	*-8,792*	*-13,187*	*164,593*	*-301,176*
23	*Retirement*	*8,366,819*	*7,606,120*	*5,349,403*	*8,024,105*	*760,699*	*342,714*
24	*Death & Disability*	*71,813*	*68,909*	*45,943*	*68,915*	*2,904*	*2,899*
25	*Hospital*	*3,362,123*	*3,516,485*	*2,150,412*	*3,225,619*	*-154,362*	*136,504*
26	*Life*	*67,032*	*67,421*	*42,865*	*64,298*	*-390*	*2,734*
27	*Dental*	*145,067*	*130,667*	*92,773*	*139,160*	*14,400*	*5,907*
28	*Medicare*	*368,628*	*361,462*	*235,707*	*353,560*	*7,166*	*15,068*
29	*Labor Cost Benefits*	*-1,219,788*	*-1,249,339*	*-15,289*	*-22,934*	*29,551*	*-1,196,855*
33	***SUB-TOTAL***	***38,252,350***	***36,919,389***	***26,573,107***	***39,859,660***	***1,332,961***	***-1,607,310***
34							
35	***Other Divisional Expense***						
36	*Office Supplies*	*52,160*	*55,120*	*19,492*	*29,238*	*-2,960*	*22,922*
37	*Operational Supplies*	*1,162,777*	*1,000,000*	*688,492*	*1,032,739*	*162,777*	*130,038*
38	*Gas, Diesel*	*450,000*	*350,000*	*302,433*	*453,650*	*100,000*	*-3,650*
39	*Equipment*	*307,729*	*352,850*	*61,595*	*92,393*	*-45,121*	*215,336*
40	*Contractual*	*1,126,200*	*1,030,870*	*493,418*	*740,126*	*95,330*	*386,074*
41	*Miscellaneous*	*161,549*	*152,729*	*115,249*	*172,873*	*8,820*	*-11,324*
42	*Training (Local/Federal)*	*125,000*	*100,000*	*11,038*	*16,557*	*25,000*	*108,443*
43	*Travel (Local/Federal)*	*140,000*	*140,000*	*148,782*	*223,172*	*0*	*-83,172*
44	***SUB-TOTAL***	***3,525,415***	***3,181,569***	***1,840,499***	***2,760,748***	***343,846***	***764,667***
45							
46	***TOTAL DIVISIONAL EXPENSE***	***41,777,765***	***40,100,958***	***28,413,605***	***42,620,408***	***1,676,807***	***-842,642***
47							
48	***General Expense***						
49	*OTHER BENEFITS*	*75,000*	*75,000*	*116,448*	*174,671*	*0*	*-99,671*
50	*OTHER PERSONNEL COSTS*	*60,000*	*60,000*	*19,472*	*29,208*	*0*	*30,792*
51	*COMMUNICATIONS*	*190,100*	*200,100*	*104,927*	*157,391*	*-10,000*	*32,709*
52	*UTILITIES*	*2,070,065*	*2,100,000*	*1,208,867*	*1,813,300*	*-29,935*	*256,765*
53	*GENERAL INSURANCE*	*5,394,549*	*5,243,971*	*3,057,710*	*4,586,565*	*150,579*	*807,985*
54	*REPAIRS AND MAINTENANCE*	*145,759*	*126,519*	*94,332*	*141,498*	*19,240*	*4,260*
55	*DEPRECIATION EXPENSE*	*6,791,679*	*6,294,095*	*4,671,136*	*7,006,704*	*497,584*	*-215,025*
56	*DAMAGE, SHORTAGE, WRITEOFF*	*10,000*	*15,000*	*453*	*680*	*-5,000*	*9,320*
57	*MISCELLANEOUS*	*117,000*	*117,500*	*23,647*	*35,470*	*-500*	*81,530*
58	*AGENCY & MANAGEMENT FEE'S*	*808,000*	*1,147,835*	*441,101*	*661,652*	*-339,835*	*146,348*
59	*PROFESSIONAL SERVICES*	*731,500*	*932,300*	*434,202*	*651,303*	*-200,800*	*80,197*
60	*OTHER CONTRACTUAL*	*233,000*	*233,000*	*22,722*	*34,083*	*0*	*198,917*
63	***SUBTOTAL GENERAL EXPENSE***	***16,626,652***	***16,545,320***	***10,207,186***	***15,310,779***	***81,332***	***1,315,874***

Doc. No. 38GL-26-2853.*

FY-2027
PROPOSED BUDGET
GRAND SUMMARY

	DESCRIPTION	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
64							
65	***GRAND TOTAL EXPENSE***	***58,404,418***	***56,646,278***	***38,620,791***	***57,931,187***	***1,758,139***	***473,231***
66							
67	***OPERATING INCOME/LOSS***	***2,008,341***	***429,820***	***-1,249,547***	***-1,874,320***	***1,578,521***	***3,882,661***
68							
69	***OTHER INCOME/EXPENSE***						
70	*Non-Operating Expense*	*6,844,327*	*5,809,487*	*3,909,532*	*5,864,298*	*1,034,839*	*980,029*
71	*Federal Reimbursements*	*7,684,960*	*4,521,985*	*564,545*	*846,817*	*3,162,975*	*6,838,142*
73	*Miscellaneous Interest Income*	*4,085,989*	*5,457,239*	*2,515,509*	*3,773,264*	*-1,371,250*	*312,725*
74	***TOTAL OTHER INCOME/EXPENSE***	***4,926,622***	***4,169,737***	***-829,478***	***-1,244,216***	***756,885***	***6,170,838***
75							
76	***NET INCOME/LOSS***	***6,934,963***	***4,599,557***	***-2,079,024***	***-3,118,537***	***2,335,407***	***10,053,500***
77							
78	***CRANE NET INCOME/LOSS***	***21,371***	***8,237***	***425,779***	***0***	***13,133***	***0***
79	***FMF NET INCOME/LOSS***	***1,782,721***	***1,248,377***	***-1,497,586***	***(2,246,379)***	***-534,345***	***463,658***
80	***TOTAL NET INCOME/LOSS***	***8,739,055***	***5,856,171***	***-3,150,832***	***-5,364,916***	***1,814,196***	***10,517,158***

FY-2027
PEOPOSED BUDGET
REVENUES

	DESCRIPTION	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
	CARGO REVENUES						
1	*CT-Containers*	24,400,543	24,594,875	15,256,333	22,884,500	-194,332	1,516,043
2	*CT Breakbulk*	1,910,832	1,165,761	1,119,622	1,679,433	745,071	231,399
3	*CT Unitized*	116,511	127,804	80,150	120,225	-11,293	-3,714
5	*CT Ro/Ro*	1,008,746	1,065,613	581,234	871,851	-56,867	136,895
6	*CT Devan/Stuff*	36,223	17,993	24,725	37,088	18,230	-864
7	*CT Heavylift*	57,947	40,466	34,286	51,429	17,480	6,518
8	*CT Longlength*	1,259	2,216	781	1,171	-956	88
9	*OUT-OF-GAUGE CARGO*	252,294	164,391	150,608	225,911	87,903	26,382
10	***CARGO THROUGHPUT REVENUES***	**27,784,354**	**27,179,120**	**17,247,738**	**25,871,607**	**605,235**	**1,912,747**
11							
12	***OTHER CARGO RELATED REVENUES***						
15	*Transshipment Container*	2,656,824	2,775,148	1,663,234	2,494,850	-118,324	161,973
16	*Overstow Container*	99,857	86,453	68,278	102,416	13,404	-2,559
17	*Shifted Container*	1,660	4,174	1,026	1,540	-2,513	121
18	*Rigged Container*	92,457	50,067	54,384	81,576	42,390	10,881
19	*REEFER CNTR-PLUG/UNPLUG*	141,849	150,079	90,179	135,269	-8,230	6,580
20	*Direct Labor Billed*	5,308,926	5,000,368	3,234,563	4,851,845	308,558	457,081
21	*Equipment Rental*	337,455	354,232	192,157	288,236	-16,777	49,219
22	*Port Entry Fee&Dockage*	454,813	451,335	261,602	392,403	3,477	62,410
23	*Wharfage*	7,819,746	6,031,762	4,963,396	7,445,094	1,787,984	374,652
24	*Fuel Surcharge**	802,797	710,339	492,984	739,476	92,458	63,321
25	*Maritime Security Fee**	247,682	220,228	152,945	229,418	27,453	18,264
26	***OTHER CARGO RELATED REVENUES***	**17,964,067**	**15,834,186**	**11,174,749**	**16,762,123**	**2,129,881**	**1,201,943**
27							
28	***TOTAL CARGO REVENUES***	**45,748,421**	**43,013,305**	**28,422,487**	**42,633,731**	**2,735,116**	**3,114,690**
29							
30	***FACILITIES REVENUES***						
31							
32	***Facility Usage***						
33	*Facility-Usage-MOBIL*	0	0		0	0	0
35	*Facility-Usage-TRISTAR*	3,158,002	4,260,882	2,044,014	3,066,021	-1,102,880	91,981
36	*Cement Thruput*	0	0		0	0	0
37	***Facility Usage***	**3,158,002**	**4,260,882**	**2,044,014**	**3,066,021**	**-1,102,880**	**91,981**
38							
39	***Space Rental***	**4,789,373**	**3,856,883**	**2,492,094**	**3,738,141**	**932,489**	**1,051,232**
42	***Lease Income-GEDA***	**1,552,699**	**1,545,177**	**1,035,133**	**1,552,699**	**7,523**	**0**
44	***Common Area Maintenance***	**33,055**	**33,055**	**22,036**	**33,055**	**0**	**0**
45	***Security Surcharge Rental***	**177,395**	**183,302**	**118,263**	**177,395**	**-5,907**	**0**
46							
47	***Marina Revenues***						
48	*Water and Landside Activity*	8,000	8,000	4,315	6,473	0	1,528
49	*Gregorio D. Perez*	52,000	65,000		0	-13,000	52,000
50	*Agat Marina*	247,220	240,000		0	7,220	247,220
51	***Marina Revenues***	**307,220**	**313,000**	**4,315**	**6,473**	**-5,780**	**300,747**
52							
53	***Harbor of Refuge***	**34,098**	**34,098**	**17,762**	**26,643**	**0**	**7,455**
54	***Demurrage***	**3,218,144**	**3,218,144**	**3,050,566**	**4,575,849**	**0**	**-1,357,705**
55							
56	***TOTAL FACILITY REVENUES***	**13,269,986**	**13,444,541**	**8,784,184**	**13,176,275**	**-174,555**	**93,710**
57							
58	***OTHER FEES & SERVICES***						
61	*Materials Used*	0	0	0	0	0	0
62	*Passenger Service*	82,412	164,824	18,022	27,033	-82,412	55,379

FY-2026
PROPOSED BUDGET
REVENUES

	DESCRIPTION	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
64	*Bunker Services*	*50,559*	*23,271*	*33,706*	*50,559*	*27,288*	*0*
65	*Special Services*	*133,305*	*67,827*	*88,870*	*133,305*	*65,478*	*0*
66	*Elect. Power*	*16,482*	*20,735*	*10,988*	*16,482*	*-4,253*	*0*
67	***TOTAL OTHER FEES & SERVICES***	***282,757***	***276,657***	***151,585***	***227,378***	***6,100***	***55,379***
68							
69	***ADMINISTRATIVE FEES & SERVICES***						
70	*PAG Documentation*	*375*	*375*	*12,000*	*18,000*	*0*	*-17,625*
71	*I.D. Badges*	*1,005*	*1,005*	*710*	*1,065*	*0*	*-60*
72	*Police Reports*	*5*	*5*		*0*	*0*	*5*
75	*Violation of Regulation Penalty*	*210*	*210*	*278*	*417*	*0*	*-207*
78	***TOTAL ADMINISTRATIVE FEES & SERVICES***	***1,595***	***1,595***	***12,988***	***19,482***	***0***	***-262***
79							
80	***OTHER INCOME/EXPENSE***						
85							
86	***OTHER REIMBURSEMENTS***						
89	*OLDCC Technical Services*	*1,050,000*	*300,000*		*0*	*750,000*	*1,050,000*
90	*U.S. DOH-FEMA EMI*	*20,000*			*0*	*20,000*	*20,000*
91	*Office of Highway Safety - A Dai He Hao*	*40,000*	*40,000*		*0*	*0*	*40,000*
93	***TOTAL OTHER REIMBURSMENTS***	***1,110,000***	***340,000***	***0***	***0***	***770,000***	***1,110,000***
94							
99	***TOTAL OTHER INCOME/EXPENSE***	***1,110,000***	***340,000***	***0***	***0***	***770,000***	***1,110,000***
100							
101	***TOTAL NON CARGO REVENUES***	***14,664,338***	***14,062,793***	***8,948,757***	***13,423,136***	***601,545***	***1,258,827***
102							
103	***TOTAL CARGO/NON-CARGO REVENUES***	***60,412,759***	***57,076,099***	***37,371,244***	***56,056,866***	***3,336,661***	***4,373,518***
104							
105	***REIMBURSEMENTS***						
106	***FEDERAL REIMBURSEMENT***						
107	*Miscellaneous Expense*		*0*	*38,454*	*57,682*	*0*	*-57,682*
108	*MARAD*	*4,288,399*	*2,242,750*	*36,405*	*54,608*	*2,045,650*	*4,233,792*
113	*Fed Reim-DOI MAP 2022*		*0*		*0*	*0*	*0*
115	*Fed Reim-Federal Highway*			*8,865*	*13,298*	*0*	*-13,298*
116	*Fed Reim-EPA*		*0*	*333,510*	*500,265*	*0*	*-500,265*
118	*Fed Reim-EDA*	*3,396,560*	*2,026,996*		*0*	*1,369,564*	*3,396,560*
117	*Fed Reim-HS 2021 PSGP*		*0*		*0*	*0*	*0*
119	*Fed Reim-HS 2022 PSGP*		*0*	*-1,095*	*-1,643*	*0*	*1,643*
117	*Fed Reim-HS 2023 PSGP*		*0*		*0*	*0*	*0*
120	*Fed Reim-OEA Owners*		*0*		*0*	*0*	*0*
123	*Fed Reim-OIA Eng. Anal.*		*172,869*		*0*	*-172,869*	*0*
128	*Fed Reim-FEMA*		*79,370*	*148,406*	*222,609*	*-79,370*	*-222,609*
131	*OIA*		*0*		*0*	*0*	*0*
132	*EDA*		*0*		*0*	*0*	*0*
133	***FEDERAL REIMBURSEMENT***	***7,684,960***	***4,521,985***	***564,545***	***846,817***	***3,162,975***	***6,838,142***
139							
140	***TOTAL REIMBURSEMENTS***	***7,684,960***	***4,521,985***	***564,545***	***846,817***	***3,162,975***	***6,838,142***
141							
142	***MISCELLANEOUS INCOME***						
144	*Interest Income-Billing*	*100,278*	*109,293*	*63,668*	*95,502*	*-9,016*	*4,775*
145	*Interest Income-Bond*	*2,844,835*	*4,151,172*	*1,806,244*	*2,709,367*	*-1,306,337*	*135,468*
146	*Interest Income-Investment*	*1,125,344*	*1,180,761*	*714,504*	*1,071,756*	*-55,417*	*53,588*
148	*Miscellaneous Income*	*15,533*	*16,014*	*-68,907*	*-103,361*	*-480*	*118,894*
150	***MISCELLANEOUS INCOME***	***4,085,989***	***5,457,239***	***2,515,509***	***3,773,264***	***-1,371,250***	***312,725***
151							
152	---	-----------	------------	-----------	------------	------------	------------
153	***GRAND TOTAL REVENUES***	***72,183,708***	***67,055,322***	***40,451,299***	***60,676,948***	***5,128,386***	***11,524,385***

FY-2027
PROPOSED BUDGET
GENERAL EXPENSE

	DESCRIPTION	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
	GENERAL EXPENSE						
1	***OTHER BENEFITS***						
2	*Recognition Awards*	*75,000*	*75,000*	*116,448*	*174,671*	*0*	*-99,671*
5	***TOTAL OTHER BENEFITS***	***75,000***	***75,000***	***116,448***	***174,671***	***0***	***-99,671***
6							
7	***OTHER PERSONNEL COSTS***						
8	*Workmen's Compensation*	*50,000*	*50,000*	*14,982*	*22,474*	*0*	*27,526*
9	*Drug Program*	*10,000*	*10,000*	*4,489*	*6,734*	*0*	*3,266*
10	***TOTAL OTHER PERSONNEL COSTS***	***60,000***	***60,000***	***19,472***	***29,208***	***0***	***30,792***
11							
12	***COMMUNICATIONS***						
13	*Long Distance*	*100*	*100*	*12*	*19*	*0*	*81*
14	*Telephone*	*40,000*	*50,000*	*33,420*	*50,130*	*-10,000*	*-10,130*
15	*Telephone System Maintenance*	*0*	*0*		*0*	*0*	*0*
16	*Internet Access*	*150,000*	*150,000*	*71,495*	*107,242*	*0*	*42,758*
18	***TOTAL COMMUNICATIONS***	***190,100***	***200,100***	***104,927***	***157,391***	***-10,000***	***32,709***
19							
20	***UTILITIES***						
21	*Water*	*677,065*	*500,000*	*438,230*	*657,345*	*177,065*	*19,720*
22	*Power*	*1,200,000*	*1,500,000*	*678,508*	*1,017,762*	*-300,000*	*182,238*
23	*Trash Removal*	*193,000*	*100,000*	*92,129*	*138,193*	*93,000*	*54,807*
24	***TOTAL UTILITIES***	***2,070,065***	***2,100,000***	***1,208,867***	***1,813,300***	***-29,935***	***256,765***
25							
26	***GENERAL INSURANCE***						
27	*Insurance*	*5,274,549*	*5,123,971*	*3,057,710*	*4,586,565*	*150,579*	*687,985*
28	*Workmen's Compensation Insurance*	*120,000*	*120,000*		*0*	*0*	*120,000*
29	***TOTAL GENERAL INSURANCE***	***5,394,549***	***5,243,971***	***3,057,710***	***4,586,565***	***150,579***	***807,985***
30							
31	***REPAIRS AND MAINTENANCE***						
33	*Maintenance-PAG F1 Pier*	*140,759*	*121,519*	*93,839*	*140,759*	*19,240*	*0*
34	*Building Maintenance*	*5,000*	*5,000*	*493*	*740*	*0*	*4,260*
36	***TOTAL REPAIRS AND MAINTENANCE***	***145,759***	***126,519***	***94,332***	***141,498***	***19,240***	***4,260***
37							
38	***DEPRECIATION EXPENSE***						
39	*Depreciation*	*6,791,679*	*6,294,095*	*4,671,136*	*7,006,704*	*497,584*	*-215,025*
40	***TOTAL DEPRECIATION EXPENSE***	***6,791,679***	***6,294,095***	***4,671,136***	***7,006,704***	***497,584***	***-215,025***
41							
42	***DAMAGE, SHORTAGE, WRITEOFF***						
43	*Inventory Loss/Writ*	*0*	*0*		*0*	*0*	*0*
47	*Claims Cargo Shortage*	*10,000*	*15,000*	*453*	*680*	*-5,000*	*9,320*
50	***TOTAL DAMAGE, SHORTAGE, WRITEOFF***	***10,000***	***15,000***	***453***	***680***	***-5,000***	***9,320***
51							
52	***MISCELLANEOUS***						
53	*Contingencies*	*50,000*	*50,000*		*0*	*0*	*50,000*
54	*Natural Disaster Emergency Fund*	*10,000*	*15,000*		*0*	*-5,000*	*10,000*
55	*Board of Director's Expense*	*5,000*	*6,500*	*1,250*	*1,875*	*-1,500*	*3,125*
57	*I.D. TWIC*	*10,000*	*14,000*	*5,940*	*8,910*	*-4,000*	*1,090*
58	*Pump Out Station*	*2,000*	*2,000*		*0*	*0*	*2,000*
59	*GPS/IT&E MiFleet*	*40,000*	*30,000*	*16,457*	*24,685*	*10,000*	*15,315*
60	***TOTAL MISCELLANEOUS***	***117,000***	***117,500***	***23,647***	***35,470***	***-500***	***81,530***
61							
62	***AGENCY & MANAGEMENT FEE'S***						
63	*Agency Fees*	*8,000*	*8,000*	*6,501*	*9,752*	*0*	*-1,752*
64	*Mobil Manager's Fee*	*0*	*0*		*0*	*0*	*0*
65	*Tristar Manager's Fee*	*800,000*	*1,139,835*	*434,600*	*651,900*	*-339,835*	*148,100*
66	***TOTAL AGENCY & MANAGEMENT FEE'S***	***808,000***	***1,147,835***	***441,101***	***661,652***	***-339,835***	***146,348***
67							

FY-2027
PROPOSED BUDGET
GENERAL EXPENSE

	DESCRIPTION	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
68	**PROFESSIONAL SERVICES**						
69	Audit & Accounting Fees	57,000	57,500	16,912	25,368	-500	31,632
70	Bond Annual Fees	30,000	43,500	10,000	15,000	-13,500	15,000
71	Environmental Compliance-SWPP	90,000	76,800	58,655	87,983	13,200	2,018
72	TOS Maintenance & Service	240,000	240,000	213,931	320,897	0	-80,897
75	Owner's Agent Engineer (WSP)	100,000	250,000		0	-150,000	100,000
79	PUC Consultant/Legal	50,000	50,000	41,463	62,194	0	-12,194
80	PUC Assessment Fee	110,000	110,000	90,000	135,000	0	-25,000
84	Legal Counsel	0	50,000		0	-50,000	0
85	Bank Service Fee - BOG	4,500	4,500	3,241	4,862	0	-362
86	Bank Service Fee - BOG CC	0	0		0	0	0
89	Fire Sprinkler/Alarm Certification	50,000	50,000		0	0	50,000
90	**TOTAL PROFESSIONAL SERVICES**	**731,500**	**932,300**	**434,202**	**651,303**	**-200,800**	**80,197**
91							
92	**OTHER CONTRACTUAL**						
93	Temporary Staffing	200,000	200,000		0	0	200,000
95	Medical Exams	33,000	33,000	22,722	34,083	0	-1,083
96	**TOTAL OTHER CONTRACTUAL**	**233,000**	**233,000**	**22,722**	**34,083**	**0**	**198,917**
102							
103	**TYPHOON/EMERGENCY EXPENSE**						
107	Typhoon Preparation & Cleanup	0	0	12,170	18,255	0	-18,255
110	**TOTAL TYPHOON/EMERGENCY EXPENSE**	**0**	**0**	**12,170**	**18,255**	**0**	**-18,255**
111							
112	**TOTAL GENERAL EXPENSE**	**16,626,652**	**16,545,320**	**10,207,186**	**15,310,779**	**81,332**	**1,315,874**
113							
114	**NON-OPERATING EXPENSE**						
119							
120	**INTEREST EXPENSE**						
121	Miscellaneous Expense	10,000	10,000	28,413	42,620	0	-32,620
122	Bond Interest General Expense	1,700,000	1,830,138	1,121,377	1,682,066	-130,138	17,934
126	**TOTAL INTEREST EXPENSE**	**1,710,000**	**1,840,138**	**1,149,790**	**1,724,686**	**-130,138**	**-14,686**
127							
128	**RETIREMENT GOVT CONTRIBUTION**						
129	Retirement COLA Benefits	777,400	765,900	518,267	777,400	11,500	0
130	Retirees Gov't Contribution (Med,Den,Life)	2,831,814	2,820,209	1,887,876	2,831,814	11,605	0
131	Retirement Supplemental Benefits	305,113	313,240	203,409	305,113	-8,127	0
133	**TOTAL RETIREMENT GOVT CONTRIBUTION**	**3,914,327**	**3,899,349**	**2,609,551**	**3,914,327**	**14,978**	**0**
134							
135	**FEDERAL EXPENSES**						
136	Homeland Security	0	0	32,431	48,647	0	-48,647
137	DOI-MaintAsstncProgr	0	0	92,262	138,393	0	-138,393
138	FEMA PSGP	0	0		0	0	0
139	U.S. DOH-FEMA EMI	20,000	20,000	7,805	11,707	0	8,293
140	OLDCC Technical Services	1,150,000	0		0	1,150,000	1,150,000
141	Office of Highway Safety - A Dai He Hao	40,000	40,000		0	0	40,000
142	**TOTAL FEDERAL EXPENSES**	**1,210,000**	**60,000**	**132,498**	**198,747**	**1,150,000**	**1,011,253**
143							
144	**GAIN (LOSS) OM ASSET**						
145	Loss on Asset Disposals/Impairement	10,000	10,000	17,692	26,539	0	-16,539
146	**TOTAL GAIN (LOSS) OM ASSET**	**10,000**	**10,000**	**17,692**	**26,539**	**0**	**-16,539**
147							
148	**TOTAL NON-OPERATING EXPENSE**	**6,844,327**	**5,809,487**	**3,909,532**	**5,864,298**	**1,034,839**	**980,029**
149							
150	**TOTAL NON DIVISIONAL/GENERAL EXPENSE**	**23,470,979**	**22,354,808**	**14,116,718**	**21,175,077**	**1,116,172**	**2,295,903**

FY-2027
PROPOSED BUDGET
CRANES

	DESCRIPTION	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
	CRANE REVENUES						
1	Crane Surcharge*	6,231,087	6,090,807	4,033,066	6,049,599	140,280	181,488
2	**TOTAL CRANE REVENUES**	**6,231,087**	**6,090,807**	**4,033,066**	**6,049,599**	**140,280**	**181,488**
3							
4	**GANTRY GENERAL EXPENSE**						
6	Insurance	388,112	378,377	224,993	337,489	9,735	50,623
7	**TOTAL GENERAL EXPENSE**	**388,112**	**378,377**	**224,993**	**337,489**	**9,735**	**50,623**
8							
9	**REPAIRS AND MAINTENANCE- SUB**						
10	Crane Maintenance Division	2,713,154	2,721,506	2,211,976	3,317,965	-8,352	-604,810
15	GANTRY 4, 5 & 6 Corrosion	60,000	40,000	12,449	18,673	20,000	41,327
17	GANTRY 4, 5 & 6 Fuel	300,000	300,000	172,842	259,263	0	40,737
19	GANTRY 4, 5 & 6 Materials/Parts	210,000	190,000	117,549	176,324	20,000	33,676
20	GANTRY 4, 5 & 6 Outside Labor/Services	150,000	90,000	34,790	52,185	60,000	97,815
24	Professional Services	0	10,000		0	-10,000	0
25	Machine Shop	0	15,000	800	1,200	-15,000	-1,200
26	Rewinding Motors & Generators	0	10,000		0	-10,000	0
27	Trolley Wheels 8 ea	0	14,000		0	-14,000	0
29	**TOTAL REPAIRS AND MAINTENANCE- SUB**	**3,433,154**	**3,390,506**	**2,550,406**	**3,825,610**	**42,648**	**-392,455**
30							
31	**DEPRECIATION EXPENSE**						
32	Depreciation	1,878,450	1,803,686	598,340	897,510	74,763	980,940
33	**TOTAL DEPRECIATION EXPENSE**	**1,878,450**	**1,803,686**	**598,340**	**897,510**	**74,763**	**980,940**
34							
35	**PROFESSIONAL SERVICES**						
36	PMC Management Fee-Cranes	120,000	120,000		0	0	120,000
37	Caterpillar Service Contract	20,000	20,000		0	0	20,000
38	Crane Certification	20,000	20,000	9,600	14,400	0	5,600
39	**TOTAL PROFESSIONAL SERVICES**	**160,000**	**160,000**	**9,600**	**14,400**	**0**	**145,600**
40							
41	**TOTAL GENERAL EXPENSE-CRANE**	**5,859,716**	**5,732,569**	**3,383,339**	**5,075,008**	**127,147**	**784,708**
42							
43	**INTEREST EXPENSE**						
44	Bond Interest Crane Expense	350,000	350,000	223,948	335,923	0	14,077
45	**TOTAL INTEREST EXPENSE**	**350,000**	**350,000**	**223,948**	**335,923**	**0**	**14,077**
46							
47	**TOTAL NON-OPERATING EXPENSE**	**350,000**	**350,000**	**223,948**	**335,923**	**0**	**14,077**
48							
49	**TOTAL NON DIVISIONAL/GENERAL EXPENSE**	**6,209,716**	**6,082,569**	**3,607,287**	**5,410,931**	**127,147**	**798,785**
50							
51	**TOTAL NET INCOME/LOSS**	**21,371**	**8,237**	**425,779**		**13,133**	

FY-2027
PROPOSED BUDGET
CRANE DIVISION

BUSINESS UNIT: 411	SECTION: CRANE MAINTENANCE					
OBJECT CLASSIFICATION/ITEM	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
PERSONNEL SERVICES						
Management & Employee Salaries	628,100	644,953	371,092	556,638	-16,853	71,461
Holiday Work	10,597	6,167	7,065	10,597	4,430	0
Sick Leave Used		0	5,848	8,772	0	-8,772
Annual Leave Earned		0	32,457	48,686	0	-48,686
Comp Time Taken		0		0	0	0
Typhoon Salaries		0	8,619	12,929	0	-12,929
Labor Cost Salaries	-133,830	-137,421		0	3,591	-133,830
Regular Salaries	**504,866**	**513,699**	**425,081**	**637,622**	**-8,832**	**-132,756**
Night Differential/Hazard Pay	66,114	64,387	44,076	66,114	1,728	0
Overtime	130,000	130,000	124,965	187,448	0	-57,448
Labor Cost Overtime	-78,000	-77,902		0	-98	-78,000
TOTAL PERSONNEL SERVICES	**622,981**	**630,183**	**594,123**	**891,184**	**-7,202**	**-268,204**
PERSONNEL BENEFITS						
Retirement	221,722	211,371	141,720	212,581	10,351	9,141
Death & Disability	1,552	1,186	992	1,488	366	64
Hospital Insurance	125,328	121,247	80,107	120,161	4,081	5,167
Life Insurance	1,817	1,982	1,162	1,743	-165	75
Dental Insurance	4,420	3,584	2,825	4,238	836	182
Medicare	12,089	12,126	7,727	11,590	-37	498
Labor Cost Benefits	-106,621	-101,643		0	-4,977	-106,621
TOTAL PERSONNEL BENEFITS	**260,307**	**249,852**	**234,533**	**351,800**	**10,455**	**-91,493**
MATERIALS & SUPPLIES						
Office Supplies	1,000	0		0	0	
Operational Supplies	120,000	20,000	48,214	72,321	100,000	47,679
Operational Supplies Shop Use	40,000	20,000	27,726	41,590	20,000	-1,590
TOTAL MATERIALS & SUPPLIES	**161,000**	**40,000**	**75,940**	**113,910**	**120,000**	**46,090**
Furnishing & Equipment						
Office Equipment	500	500		0	0	500
Power & Hand Tools		2,000		0	-2,000	0
Safety Equipment		3,000	425	638	-3,000	-638
Shop Equipment	2,000	2,000		0	0	2,000
TOTAL FURNISHING & EQUIPMENT	**2,500**	**7,500**	**425**	**638**	**-5,000**	**1,862**
Overhead Allocation						
OH-Benefits	605,662	575,489	475,029	712,544	30,173	-106,882
OH-Overtime	228,658	283,690	179,339	269,009	-55,032	-40,351
OH-Salaries & Wages	832,047	934,792	652,586	978,879	-102,745	-146,832
TOTAL OVERHEAD ALLOCATION	**1,666,367**	**1,793,971**	**1,306,954**	**1,960,432**	**-127,604**	**-294,065**
DEPARTMENT TOTAL	**2,713,154**	**2,721,506**	**2,211,976**	**3,317,965**	**-9,352**	**-605,810**

FY-2027
PROPOSED BUDGET
FACILITY MAINTENANCE FEE

	DESCRIPTION	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
	FMF REVENUES						
1	Facility Maintenance Fee	2,543,315	2,038,408	1,646,158	2,469,237	504,906	74,077
2	**TOTAL FMF REVENUES**	**2,543,315**	**2,038,408**	**1,646,158**	**2,469,237**	**504,906**	**74,077**
3							
4	**FMF GENERAL EXPENSE**						
5	2018 Bond Int Exp-FMF	504,306	504,306		0	0	504,306
6	Insurance-FMF	256,287	285,725	148,572	222,858	-29,438	33,429
7	Other FMF Small Projects				0	0	0
8	**TOTAL REPAIRS AND MAINTENANCE**	**760,593**	**790,031**	**148,572**	**222,858**	**-29,438**	**537,735**
9							
10	**TOTAL FMF GENERAL EXPENSE**	**760,593**	**790,031**	**148,572**	**222,858**	**-29,438**	**537,735**
11							
12	**TOTAL NET INCOME/LOSS**	**1,782,721**	**1,248,377**	**-1,497,586**	**-2,246,379**	**-534,345**	**463,658**

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FY-2027
PROPOSED BUDGET
MARINAS

	DESCRIPTION	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
	MARINA REVENUES						
1	*GDP Marina-General Revenue*	*52,000*	*51,028*	*33,657*	*50,485*	*972*	*1,515*
2	*Agat Marina-General Revenue*	*247,220*	*226,990*	*160,013*	*240,020*	*20,230*	*7,201*
3	***TOTAL FMF REVENUES***	***299,220***	***278,018***	***193,670***	***290,504***	***21,201***	***8,715***
4							
5	***GDP MARINA GENERAL EXPENSE***						
6	*Water*	*33,732*	*27,236*	*22,488*	*33,732*	*6,496*	*0*
7	*Power*	*16,816*	*19,249*	*11,211*	*16,816*	*-2,433*	*0*
8	*Insurance-Agana Marina*	*231,562*	*207,422*	*134,239*	*201,359*	*24,140*	*30,204*
9	*Maintenance-General*	*1,442*	*1,442*	*1,272*	*1,908*	*0*	*-466*
10	*OH-Benefits*	*85,496*	*61,536*	*56,997*	*85,496*	*23,959*	*0*
11	*OH-Salaries & Wages*	*149,730*	*130,291*	*99,820*	*149,730*	*19,440*	*0*
12	***TOTAL GDP MARINA GENERAL EXPENSE***	***518,779***	***447,177***	***326,027***	***489,040***	***71,602***	***29,738***
13							
14	***AGAT MARINA GENERAL EXPENSE***						
15	*Water*	*40,886*	*24,756*	*27,257*	*40,886*	*16,130*	*0*
16	*Power*	*43,997*	*58,826*	*29,331*	*43,997*	*-14,829*	*0*
17	*Insurance-Agana Marina*	*145,017*	*129,703*	*84,068*	*126,102*	*15,314*	*18,915*
18	*Maintenance-General*	*3,402*	*3,402*		*0*	*0*	*3,402*
19	*OH-Benefits*	*89,334*	*65,017*	*59,556*	*89,334*	*24,318*	*0*
20	*OH-Salaries & Wages*	*156,453*	*137,660*	*104,302*	*156,453*	*18,793*	*0*
21	***TOTAL AGAT MARINA GENERAL EXPENSE***	***479,089***	***419,364***	***304,515***	***456,772***	***59,726***	***22,317***
28							
29	***TOTAL MARINA GENERAL EXPENSE***	***997,868***	***866,541***	***630,542***	***945,813***	***866,541***	***-79,272***
30							
31	***TOTAL NET INCOME/LOSS***	***-698,648***	***-588,522***	***-436,872***	***-655,308***	***-588,522***	***66,786***

FY-2027
PROPOSED BUDGET
DIVISIONAL SUMMARY

SECTION	BUSINESS UNIT	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
General Mgr/Deputy Gen. Mgr	101	1,392,311	1,511,597	1,081,823	1,622,735	-119,286	-230,424
Harbor Master	121	1,116,444	1,145,376	737,984	1,106,976	-28,932	9,468
Port Police	122	4,820,063	4,576,034	3,083,330	4,624,995	244,029	195,068
Ocupational & Safety	123	914,708	920,246	572,972	859,458	-5,538	55,250
Strategic Planning	145	625,339	792,128	652,987	979,480	-166,789	-354,141
Public Relations/Marketing	150	371,815	514,859	241,444	362,166	-143,045	9,649
Operations Manager	300	1,005,351	973,384	602,702	904,053	31,967	101,298
Stevedoring	310-313	5,328,395	4,837,781	3,311,453	4,967,179	490,614	361,216
Terminal	320	4,229,143	4,160,298	2,703,949	4,055,924	68,845	173,220
Transportation	330-333	6,875,352	6,140,553	4,261,224	6,391,836	734,799	483,516
Maintenance	400-414,430	3,261,629	2,431,266	3,703,745	5,555,617	830,364	-2,293,988
Facility Maintenance	420-423	1,981,617	2,348,170	1,702,671	2,554,006	-366,553	-572,389
Corporate Services	600	130,050	326,039	250,759	376,138	-195,989	-246,088
Administrative Services	610	612,503	430,431	357,850	536,775	182,072	75,729
Human Resources	620	1,095,048	1,023,047	654,404	981,606	72,001	113,442
Procurement/Supply	630-632	1,013,668	1,292,904	756,117	1,134,175	-279,236	-120,507
Engineering/CIP	640	353,601	309,661	395,230	592,845	43,940	-239,245
Commercial	650	1,213,990	1,055,697	687,168	1,030,752	158,293	183,238
Information Technology	670	1,387,771	1,484,440	856,470	1,284,705	-96,669	103,066
Finance	675-685,140	2,848,967	2,627,047	1,799,325	2,698,988	221,921	149,980
Vacancies/Benefits		1,200,000	1,200,000	0	0	0	1,200,000
TOTAL DIVISION/SECTION EXPENSE		**41,777,765**	**40,100,958**	**28,413,605**	**42,620,408**	**1,676,807**	**-842,642**

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FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 101	SECTION: GENERAL MANAGER'S OFFICE					
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OBJECT CLASSIFICATION/ITEM	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
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PERSONNEL SERVICES						
Management & Employee Salaries	1,040,411	1,038,816	591,025	886,538	1,596	153,873
Holiday Work	0	0	0	0	0	0
Sick Leave Used		0	29,280	43,920	0	-43,920
Annual Leave Earned		0	59,671	89,507	0	-89,507
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	13,524	20,286	0	-20,286
Labor Cost Salaries	-118,623	0	0	0	-118,623	-118,623
Regular Salaries	**921,789**	**1,038,816**	**693,500**	**1,040,250**	**-117,027**	**-118,462**
Night Differential/Hazard Pay	0	0	0	0	0	0
Overtime	0	0	0	0	0	0
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**921,789**	**1,038,816**	**693,500**	**1,040,250**	**-117,027**	**-118,462**
PERSONNEL BENEFITS						
Retirement	353,019	319,923	225,860	338,790	33,096	14,229
Death & Disability	1,028	1,035	658	987	-7	41
Hospital Insurance	79,958	78,798	51,157	76,735	1,160	3,223
Life Insurance	1,331	1,340	851	1,277	-9	54
Dental Insurance	4,034	3,497	2,581	3,871	537	163
Medicare	13,857	13,829	8,865	13,298	28	559
Labor Cost Benefits	-40,250	0	0	0	-40,250	-40,250
TOTAL PERSONNEL BENEFITS	**412,977**	**418,422**	**289,972**	**434,958**	**-5,445**	**-21,981**
MATERIALS & SUPPLIES						
Office Supplies	3,130	3,130	873	1,310	0	1,820
TOTAL MATERIALS & SUPPLIES	**3,130**	**3,130**	**873**	**1,310**	**0**	**1,820**
CONTRACTUALS						
Professional Services	100	100	0	0	0	100
TOTAL CONTRACTUALS	**100**	**100**	**0**	**0**	**0**	**100**
Miscellaneous						
Dues & Subscriptions	46,816	43,629	60,652	90,977	3,187	-44,161
Miscellaneous Others	7,500	7,500	36,826	55,239	0	-47,739
TOTAL MISCELLANEOUS	**54,316**	**51,129**	**97,478**	**146,217**	**3,187**	**-91,901**
DEPARTMENT TOTAL	**1,392,311**	**1,511,597**	**1,081,823**	**1,622,735**	**-119,286**	**-230,424**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 121	SECTION: HARBOR MASTER DIVISION					
OBJECT CLASSIFICATION/ITEM	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
PERSONNEL SERVICES						
Management & Employee Salaries	672,738	670,527	406,614	609,921	2,211	62,817
Holiday Work	30,196	32,325	20,131	30,196	-2,129	0
Sick Leave Used		0	10,478	15,717	0	-15,717
Annual Leave Earned		0	34,870	52,305	0	-52,305
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	16,336	24,503	0	-24,503
Labor Cost Salaries		0	0	0	0	0
Regular Salaries	**702,934**	**702,852**	**488,428**	**732,642**	**82**	**-29,708**
Night Differential/Hazard Pay	19,964	24,190	13,309	19,964	-4,226	0
Overtime	18,000	14,000	11,892	17,837	4,000	163
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**740,898**	**741,041**	**513,629**	**770,443**	**-144**	**-29,546**
PERSONNEL BENEFITS						
Retirement	235,017	244,069	150,652	225,978	-9,051	9,039
Death & Disability	581	517	372	559	64	22
Hospital Insurance	91,428	111,045	58,608	87,912	-19,617	3,516
Life Insurance	1,736	2,067	1,113	1,669	-331	67
Dental Insurance	4,005	3,957	2,567	3,851	48	154
Medicare	10,029	11,430	6,429	9,643	-1,401	386
Labor Cost Benefits	0	0		0	0	0
TOTAL PERSONNEL BENEFITS	**342,797**	**373,085**	**219,741**	**329,612**	**-30,288**	**13,184**
MATERIALS & SUPPLIES						
Office Supplies	1,200	1,200	498	747	0	453
Operational Supplies	550	550	27	41	0	509
TOTAL MATERIALS & SUPPLIES	**1,750**	**1,750**	**526**	**789**	**0**	**961**
CONTRACTUALS						
Communication Maintenance	9,000	9,000	4,088	6,132	0	2,868
Professional Services	15,000	13,500		0	1,500	15,000
TOTAL CONTRACTUALS	**24,000**	**22,500**	**4,088**	**6,132**	**1,500**	**17,868**
Furnishing & Equipment						
Communication Equipment	4,000	4,000	0	0	0	4,000
Office Equipment	3,000	3,000	0	0	0	3,000
TOTAL FURNISHING & EQUIPMENT	**7,000**	**7,000**	**0**	**0**	**0**	**7,000**
DEPARTMENT TOTAL	**1,116,444**	**1,145,376**	**737,984**	**1,106,976**	**-28,932**	**9,468**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 122	**SECTION: PORT POLICE DIVISION**					
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OBJECT CLASSIFICATION/ITEM	**FY-2027 Proposed Budget**	**FY-2026 Approved Budget**	**FY-2026 YTD Actuals 5/31/2026**	**FY-2026 Antcpd EOY**	**FY-27 Prop vs FY-26 Appr**	**FY-27 Prop vs FY-26 Antcpd EOY**
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PERSONNEL SERVICES						
Management & Employee Salaries	2,956,344	2,645,133	1,646,600	2,469,899	311,210	486,444
Holiday Work	140,252	100,766	93,501	140,252	39,485	0
Sick Leave Used		0	63,870	95,805	0	-95,805
Annual Leave Earned		0	154,165	231,247	0	-231,247
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	73,523	110,284	0	-110,284
Labor Cost Salaries		0	0	0	0	0
Regular Salaries	**3,096,595**	**2,745,899**	**2,031,658**	**3,047,487**	**350,696**	**49,108**
Night Differential/Hazard Pay	73,312	342,136	48,875	73,312	-268,825	0
Overtime	130,000	130,000	38,580	57,870	0	72,130
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**3,299,907**	**3,218,036**	**2,119,113**	**3,178,669**	**81,871**	**121,238**
PERSONNEL BENEFITS						
Retirement	944,533	804,422	603,729	905,593	140,112	38,940
Death & Disability	7,951	6,230	5,082	7,623	1,721	328
Hospital Insurance	412,571	398,880	263,708	395,562	13,692	17,009
Life Insurance	7,561	6,761	4,833	7,249	800	312
Dental Insurance	18,888	15,784	12,073	18,109	3,104	779
Medicare	41,651	39,222	26,623	39,934	2,429	1,717
Labor Cost Benefits	0	0	0	0	0	0
TOTAL PERSONNEL BENEFITS	**1,433,156**	**1,271,298**	**916,047**	**1,374,071**	**161,858**	**59,085**
MATERIALS & SUPPLIES						
Office Supplies	2,000	2,000	1,050	1,574	0	426
Operational Supplies	32,000	31,700	36,508	54,762	300	-22,762
TOTAL MATERIALS & SUPPLIES	**34,000**	**33,700**	**37,558**	**56,337**	**300**	**-22,337**
CONTRACTUALS						
Professional Services	45,000	45,000	10,612	15,919	0	29,081
TOTAL CONTRACTUALS	**45,000**	**45,000**	**10,612**	**15,919**	**0**	**29,081**
Furnishing & Equipment						
Office Equipment	2,000	2,000	0	0	0	2,000
Safety Equipment	6,000	6,000	0	0	0	6,000
TOTAL FURNISHING & EQUIPMENT	**8,000**	**8,000**	**0**	**0**	**0**	**8,000**
DEPARTMENT TOTAL	**4,820,063**	**4,576,034**	**3,083,330**	**4,624,995**	**244,029**	**195,068**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 123	SECTION: OCCUPATIONAL HEALTH AND SAFETY DIVISION					
OBJECT CLASSIFICATION/ITEM	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
PERSONNEL SERVICES						
Management & Employee Salaries	473,520	448,842	271,166	406,749	24,678	66,771
Holiday Work	6,638	2,777	4,426	6,638	3,861	0
Sick Leave Used		0	8,273	12,409	0	-12,409
Annual Leave Earned		0	23,742	35,613	0	-35,613
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	18,699	28,048	0	-28,048
Labor Cost Salaries		0	0	0	0	0
Regular Salaries	**480,158**	**451,619**	**326,305**	**489,458**	**28,539**	**-9,300**
Night Differential/Hazard Pay	7,534	6,725	5,023	7,534	808	0
Overtime	37,500	35,000	23,130	34,695	2,500	2,805
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**525,192**	**493,345**	**354,458**	**531,686**	**31,847**	**-6,494**
PERSONNEL BENEFITS						
Retirement	160,018	166,448	102,576	153,864	-6,430	6,155
Death & Disability	3,079	3,108	1,974	2,961	-29	118
Hospital Insurance	86,734	120,888	55,599	83,399	-34,154	3,336
Life Insurance	1,520	1,690	974	1,461	-171	58
Dental Insurance	3,910	3,911	2,506	3,760	-1	150
Medicare	7,455	7,907	4,779	7,168	-452	287
Labor Cost Benefits	0	0	0	0	0	0
TOTAL PERSONNEL BENEFITS	**262,716**	**303,951**	**168,408**	**252,612**	**-41,235**	**10,104**
MATERIALS & SUPPLIES						
Office Supplies	1,800	1,800	296	444	0	1,356
Operational Supplies	5,000	3,550	1,271	1,907	1,450	3,093
Operational Supplies Environmental	20,000	17,600	3,890	5,835	2,400	14,165
TOTAL MATERIALS & SUPPLIES	**26,800**	**22,950**	**5,457**	**8,185**	**3,850**	**18,615**
Furnishing & Equipment						
Safety Equipment	100,000	100,000	44,650	66,975	0	33,025
TOTAL FURNISHING & EQUIPMENT	**100,000**	**100,000**	**44,650**	**66,975**	**0**	**33,025**
DEPARTMENT TOTAL	**914,708**	**920,246**	**572,972**	**859,458**	**-5,538**	**55,250**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 145	**SECTION: STRATEGIC PLANNING DIVISION**					
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OBJECT CLASSIFICATION/ITEM	**FY-2027 Proposed Budget**	**FY-2026 Approved Budget**	**FY-2026 YTD Actuals 5/31/2026**	**FY-2026 Antcpd EOY**	**FY-27 Prop vs FY-26 Appr**	**FY-27 Prop vs FY-26 Antcpd EOY**
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PERSONNEL SERVICES						
Management & Employee Salaries	789,935	838,018	387,249	580,873	-48,082	209,062
Holiday Work	0	0		0	0	0
Sick Leave Used		0	17,654	26,481	0	-26,481
Annual Leave Earned		0	40,137	60,206	0	-60,206
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	16,725	25,088	0	-25,088
Labor Cost Salaries	-355,471	-251,405	0	0	-104,066	-355,471
Regular Salaries	**434,464**	**586,612**	**461,765**	**692,647**	**-152,148**	**-258,183**
Night Differential/Hazard Pay	0	0		0	0	0
Overtime	0	0	268	402	0	-402
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**434,464**	**586,612**	**462,033**	**693,049**	**-152,148**	**-258,585**
PERSONNEL BENEFITS						
Retirement	245,377	211,354	156,092	234,138	34,023	11,239
Death & Disability	1,272	1,286	809	1,214	-14	58
Hospital Insurance	39,319	44,587	25,012	37,518	-5,268	1,801
Life Insurance	1,312	1,362	835	1,252	-50	60
Dental Insurance	2,908	2,573	1,850	2,775	334	133
Medicare	9,006	8,799	5,729	8,593	206	412
Labor Cost Benefits	-110,419	-66,046	0	0	-44,374	-110,419
TOTAL PERSONNEL BENEFITS	**188,775**	**203,916**	**190,327**	**285,490**	**-15,141**	**-96,716**
MATERIALS & SUPPLIES						
Office Supplies	1,000	1,000	526	790	0	210
Operational Supplies	600	600	101	151	0	449
TOTAL MATERIALS & SUPPLIES	**1,600**	**1,600**	**627**	**941**	**0**	**659**
Furnishing & Equipment						
Safety Equipment	500	0	0	0	500	500
TOTAL FURNISHING & EQUIPMENT	**500**	**0**	**0**	**0**	**500**	**500**
DEPARTMENT TOTAL	**625,339**	**792,128**	**652,987**	**979,480**	**-166,789**	**-354,141**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 150	SECTION: MARKETING/PUBLIC RELATIONS DIVISION					
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OBJECT CLASSIFICATION/ITEM	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
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PERSONNEL SERVICES						
Management & Employee Salaries	248,567	357,362	144,547	216,820	-108,795	31,746
Holiday Work	0	0		0	0	0
Sick Leave Used		0	6,732	10,098	0	-10,098
Annual Leave Earned		0	14,612	21,918	0	-21,918
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	3,280	4,921	0	-4,921
Labor Cost Salaries		0	0	0	0	0
Regular Salaries	**248,567**	**357,362**	**169,171**	**253,757**	**-108,795**	**-5,190**
Night Differential/Hazard Pay	0	0		0	0	0
Overtime	0	0		0	0	0
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**248,567**	**357,362**	**169,171**	**253,757**	**-108,795**	**-5,190**
PERSONNEL BENEFITS						
Retirement	84,587	110,155	53,963	80,944	-25,568	3,642
Death & Disability	0	0		0	0	0
Hospital Insurance	11,844	18,752	7,556	11,334	-6,908	510
Life Insurance	381	574	243	365	-193	16
Dental Insurance	1,055	1,289	673	1,009	-234	45
Medicare	2,982	4,328	1,902	2,853	-1,346	128
Labor Cost Benefits	0	0	0	0	0	0
TOTAL PERSONNEL BENEFITS	**100,848**	**135,098**	**64,337**	**96,505**	**-34,250**	**4,343**
MATERIALS & SUPPLIES						
Office Supplies	2,000	2,000	436	654	0	1,346
Operational Supplies	1,000	1,000		0	0	1,000
TOTAL MATERIALS & SUPPLIES	**3,000**	**3,000**	**436**	**654**	**0**	**2,346**
CONTRACTUALS						
Advertising	5,000	5,000	1,911	2,866	0	2,134
Other Contractual Services	7,000	7,000	3,478	5,217	0	1,783
TOTAL CONTRACTUALS	**12,000**	**12,000**	**5,389**	**8,083**	**0**	**3,917**
Furnishing & Equipment						
Office Equipment	1,000	1,000	605	908	0	92
TOTAL FURNISHING & EQUIPMENT	**1,000**	**1,000**	**605**	**908**	**0**	**92**
Miscellaneous						
Dues & Subscriptions	6,400	6,400	1,506	2,259	0	4,141
TOTAL MISCELLANEOUS	**6,400**	**6,400**	**1,506**	**2,259**	**0**	**4,141**
DEPARTMENT TOTAL	**371,815**	**514,859**	**241,444**	**362,166**	**-143,045**	**9,649**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 300	**SECTION: OPERATIONS MANAGER**					
OBJECT CLASSIFICATION/ITEM	**FY-2027 Proposed Budget**	**FY-2026 Approved Budget**	**FY-2026 YTD Actuals 5/31/2026**	**FY-2026 Antcpd EOY**	**FY-27 Prop vs FY-26 Appr**	**FY-27 Prop vs FY-26 Antcpd EOY**
PERSONNEL SERVICES						
Management & Employee Salaries	640,872	625,081	373,840	560,759	15,791	80,112
Holiday Work	0	0		0	0	0
Sick Leave Used		0	14,168	21,253	0	-21,253
Annual Leave Earned		0	41,285	61,928	0	-61,928
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	9,666	14,499	0	-14,499
Labor Cost Salaries		0	0	0	0	0
Regular Salaries	**640,872**	**625,081**	**438,959**	**658,439**	**15,791**	**-17,567**
Night Differential/Hazard Pay	0	0		0	0	0
Overtime	0	5,000		0	-5,000	0
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**640,872**	**630,081**	**438,959**	**658,439**	**10,791**	**-17,567**
PERSONNEL BENEFITS						
Retirement	220,534	193,152	140,962	211,442	27,382	9,092
Death & Disability	0	0		0	0	0
Hospital Insurance	21,508	28,618	13,747	20,621	-7,110	887
Life Insurance	1,142	1,148	730	1,095	-7	47
Dental Insurance	1,342	1,268	858	1,287	74	55
Medicare	8,454	8,116	5,403	8,105	337	349
Labor Cost Benefits	0	0	0	0	0	0
TOTAL PERSONNEL BENEFITS	**252,979**	**232,303**	**161,700**	**242,550**	**20,676**	**10,430**
MATERIALS & SUPPLIES						
Office Supplies	1,500	1,000	238	356	500	1,144
TOTAL MATERIALS & SUPPLIES	**1,500**	**1,000**	**238**	**356**	**500**	**1,144**
Furnishing & Equipment						
Office Equipment	10,000	10,000	1,168	1,752	0	8,248
Safety Equipment	100,000	100,000	637	956	0	99,044
TOTAL FURNISHING & EQUIPMENT	**110,000**	**110,000**	**1,805**	**2,708**	**0**	**107,292**
DEPARTMENT TOTAL	**1,005,351**	**973,384**	**602,702**	**904,053**	**31,967**	**101,298**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 310-313	**SECTION: STEVEDORING DIVISON**					
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OBJECT CLASSIFICATION/ITEM	**FY-2027 Proposed Budget**	**FY-2026 Approved Budget**	**FY-2026 YTD Actuals 5/31/2026**	**FY-2026 Antcpd EOY**	**FY-27 Prop vs FY-26 Appr**	**FY-27 Prop vs FY-26 Antcpd EOY**
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PERSONNEL SERVICES						
Management & Employee Salaries	3,024,871	2,705,632	1,516,695	2,275,043	319,239	749,828
Holiday Work	43,825	37,135	29,217	43,825	6,690	0
Sick Leave Used	0	0	58,126	87,189	0	-87,189
Annual Leave Earned	0	0	138,749	208,124	0	-208,124
Comp Time Taken	0	0	0	0	0	0
Typhoon Salaries	0	0	179,037	268,555	0	-268,555
Labor Cost Salaries	0	0	0	0	0	0
Regular Salaries	**3,068,696**	**2,742,767**	**1,921,823**	**2,882,735**	**325,929**	**185,961**
Night Differential/Hazard Pay	167,642	168,013	111,761	167,642	-371	0
Overtime	630,000	600,000	346,663	519,995	30,000	110,005
Labor Cost Overtime	0	0	0	0	0	0
TOTAL PERSONNEL SERVICES	**3,866,338**	**3,510,781**	**2,380,247**	**3,570,371**	**355,557**	**295,967**
PERSONNEL BENEFITS						
Retirement	960,211	816,643	612,575	918,862	143,568	41,349
Death & Disability	7,596	7,202	4,846	7,269	394	327
Hospital Insurance	417,305	430,897	266,223	399,335	-13,593	17,970
Life Insurance	8,781	9,135	5,602	8,403	-354	378
Dental Insurance	16,621	14,154	10,604	15,905	2,467	716
Medicare	47,543	44,969	30,331	45,496	2,575	2,047
Labor Cost Benefits	0	0	0	0	0	0
TOTAL PERSONNEL BENEFITS	**1,458,057**	**1,323,001**	**930,180**	**1,395,270**	**135,057**	**62,787**
MATERIALS & SUPPLIES						
Office Supplies	1,000	1,000	329	493	0	507
Operational Supplies	2,000	2,000	696	1,045	0	955
TOTAL MATERIALS & SUPPLIES	**3,000**	**3,000**	**1,025**	**1,538**	**0**	**1,462**
Furnishing & Equipment						
Safety Equipment	1,000	1,000	0	0	0	1,000
TOTAL FURNISHING & EQUIPMENT	**1,000**	**1,000**	**0**	**0**	**0**	**1,000**
DEPARTMENT TOTAL	**5,328,395**	**4,837,781**	**3,311,453**	**4,967,179**	**490,614**	**361,216**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 320	**SECTION: TERMINAL DIVISION**					
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OBJECT CLASSIFICATION/ITEM	**FY-2027 Proposed Budget**	**FY-2026 Approved Budget**	**FY-2026 YTD Actuals 5/31/2026**	**FY-2026 Antcpd EOY**	**FY-27 Prop vs FY-26 Appr**	**FY-27 Prop vs FY-26 Antcpd EOY**
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PERSONNEL SERVICES						
Management & Employee Salaries	2,493,410	2,458,109	1,274,677	1,912,016	35,301	581,394
Holiday Work	42,476	28,168	28,317	42,476	14,307	0
Sick Leave Used		0	31,338	47,007	0	-47,007
Annual Leave Earned		0	128,833	193,250	0	-193,250
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	155,883	233,825	0	-233,825
Labor Cost Salaries		0	0	0	0	0
Regular Salaries	**2,535,886**	**2,486,277**	**1,619,049**	**2,428,573**	**49,609**	**107,313**
Night Differential/Hazard Pay	131,675	142,706	87,784	131,675	-11,030	0
Overtime	317,680	304,000	201,320	301,980	13,680	15,700
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**2,985,241**	**2,932,983**	**1,908,152**	**2,862,229**	**52,258**	**123,013**
PERSONNEL BENEFITS						
Retirement	806,490	776,006	516,981	775,471	30,484	31,019
Death & Disability	10,463	11,529	6,707	10,061	-1,066	402
Hospital Insurance	355,811	369,618	228,084	342,126	-13,808	13,685
Life Insurance	6,824	6,977	4,374	6,561	-153	262
Dental Insurance	14,625	13,068	9,375	14,062	1,557	562
Medicare	37,149	38,847	23,814	35,720	-1,697	1,429
Labor Cost Benefits	0	0	0	0	0	0
TOTAL PERSONNEL BENEFITS	**1,231,362**	**1,216,045**	**789,335**	**1,184,002**	**15,317**	**47,360**
MATERIALS & SUPPLIES						
Office Supplies	4,040	4,000	2,348	3,523	40	517
Operational Supplies	6,897	6,270	3,818	5,727	627	1,170
TOTAL MATERIALS & SUPPLIES	**10,937**	**10,270**	**6,166**	**9,249**	**667**	**1,688**
Furnishing & Equipment						
Safety Equipment	1,603	1,000	296	444	603	1,159
TOTAL FURNISHING & EQUIPMENT	**1,603**	**1,000**	**296**	**444**	**603**	**1,159**
DEPARTMENT TOTAL	**4,229,143**	**4,160,298**	**2,703,949**	**4,055,924**	**68,845**	**173,220**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 330-333	***SECTION: TRANSPORTATION DIVISION***					
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OBJECT CLASSIFICATION/ITEM	***FY-2027 Proposed Budget***	***FY-2026 Approved Budget***	***FY-2026 YTD Actuals 5/31/2026***	***FY-2026 Antcpd EOY***	***FY-27 Prop vs FY-26 Appr***	***FY-27 Prop vs FY-26 Antcpd EOY***
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PERSONNEL SERVICES						
Management & Employee Salaries	*3,678,285*	*3,283,543*	*1,730,366*	*2,595,549*	*394,742*	*1,082,737*
Holiday Work	*53,928*	*37,765*	*35,952*	*53,928*	*16,163*	*0*
Sick Leave Used	*0*	*0*	*101,797*	*152,695*	*0*	*-152,695*
Annual Leave Earned	*0*	*0*	*171,287*	*256,931*	*0*	*-256,931*
Comp Time Taken	*0*	*0*	*0*	*0*	*0*	*0*
Typhoon Salaries	*0*	*0*	*228,037*	*342,055*	*0*	*-342,055*
Labor Cost Salaries	*0*	*0*	*0*	*0*	*0*	*0*
Regular Salaries	***3,732,214***	***3,321,308***	***2,267,438***	***3,401,158***	***410,905***	***331,056***
Night Differential/Hazard Pay	*243,669*	*247,867*	*162,446*	*243,669*	*-4,198*	*0*
Overtime	*640,000*	*585,000*	*371,508*	*557,262*	*55,000*	*82,738*
Labor Cost Overtime	*0*	*0*	*0*	*0*	*0*	*0*
TOTAL PERSONNEL SERVICES	***4,615,883***	***4,154,175***	***2,801,393***	***4,202,089***	***461,708***	***413,794***
PERSONNEL BENEFITS						
Retirement	*1,137,415*	*993,798*	*729,112*	*1,093,668*	*143,616*	*43,747*
Death & Disability	*14,078*	*12,305*	*9,024*	*13,536*	*1,772*	*541*
Hospital Insurance	*560,399*	*538,948*	*359,230*	*538,845*	*21,452*	*21,554*
Life Insurance	*11,445*	*9,637*	*7,336*	*11,005*	*1,808*	*440*
Dental Insurance	*22,101*	*19,450*	*14,167*	*21,251*	*2,651*	*850*
Medicare	*56,492*	*54,700*	*36,213*	*54,319*	*1,792*	*2,173*
Labor Cost Benefits	*0*	*0*	*0*	*0*	*0*	*0*
TOTAL PERSONNEL BENEFITS	***1,801,929***	***1,628,838***	***1,155,083***	***1,732,624***	***173,091***	***69,305***
MATERIALS & SUPPLIES						
Office Supplies	*1,040*	*1,040*	*375*	*563*	*0*	*477*
Operational Supplies	*1,000*	*1,000*	*183*	*274*	*0*	*726*
Gas	*50,000*	*50,000*	*28,515*	*42,772*	*0*	*7,228*
Diesel	*400,000*	*300,000*	*273,919*	*410,878*	*100,000*	*-10,878*
TOTAL MATERIALS & SUPPLIES	***452,040***	***352,040***	***302,991***	***454,487***	***100,000***	***-2,447***
Furnishing & Equipment						
Office Equipment	*0*	*0*	*0*	*0*	*0*	*0*
Power & Hand Tools	*500*	*500*	*175*	*263*	*0*	*238*
Safety Equipment	*5,000*	*5,000*	*1,583*	*2,374*	*0*	*2,626*
TOTAL FURNISHING & EQUIPMENT	***5,500***	***5,500***	***1,758***	***2,637***	***0***	***2,863***
DEPARTMENT TOTAL	***6,875,352***	***6,140,553***	***4,261,224***	***6,391,836***	***734,799***	***483,516***

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 400-414,430	**SECTION: MAINTENANCE DIVISION**					
OBJECT CLASSIFICATION/ITEM	**FY-2027 Proposed Budget**	**FY-2026 Approved Budget**	**FY-2026 YTD Actuals 5/31/2026**	**FY-2026 Antcpd EOY**	**FY-27 Prop vs FY-26 Appr**	**FY-27 Prop vs FY-26 Antcpd EOY**
PERSONNEL SERVICES						
Management & Employee Salaries	3,139,460	2,861,708	1,569,787	2,354,681	277,752	784,779
Holiday Work	1,282	7,241	855	1,282	-5,959	0
Sick Leave Used	0	0	97,000	145,500	0	-145,500
Annual Leave Earned	0	0	143,419	215,128	0	-215,128
Typhoon Salaries	0	0	70,630	105,945	0	-105,945
Labor Cost Salaries	-1,950,925	-1,725,411	-25,175	-37,762	-225,514	-1,913,163
Regular Salaries	**1,189,817**	**1,143,539**	**1,856,516**	**2,784,774**	**46,278**	**-1,594,957**
Night Differential/Hazard Pay	168,508	158,676	112,339	168,508	9,832	0
Overtime	255,000	117,846	226,924	340,385	137,154	-85,385
Labor Cost Overtime	-195,414	-367,357	-6,786	-10,179	171,943	-185,234
TOTAL PERSONNEL SERVICES	**1,417,912**	**1,052,704**	**2,188,992**	**3,283,488**	**365,208**	**-1,865,576**
PERSONNEL BENEFITS						
Retirement	969,849	882,796	619,910	929,865	87,053	39,984
Death & Disability	9,015	8,759	5,762	8,643	256	372
Hospital Insurance	446,485	475,483	285,385	428,078	-28,998	18,407
Life Insurance	8,023	9,239	5,128	7,692	-1,216	331
Dental Insurance	19,453	18,020	12,434	18,651	1,432	802
Medicare	42,334	41,132	27,059	40,588	1,201	1,745
Labor Cost Benefits	-616,971	-948,898	-14,860	-22,290	331,927	-594,681
TOTAL PERSONNEL BENEFITS	**878,188**	**486,532**	**940,818**	**1,411,227**	**391,656**	**-533,040**
MATERIALS & SUPPLIES						
Office Supplies	6,500	10,000	1,913	2,870	-3,500	3,630
Operational Supplies	521,530	437,530	214,935	322,402	84,000	199,128
Operational Supplies Shop Use	120,000	60,000	106,062	159,093	60,000	-39,093
Operational Supplies Toplifter	300,000	300,000	235,982	353,973	0	-53,973
TOTAL MATERIALS & SUPPLIES	**948,030**	**807,530**	**558,892**	**838,338**	**140,500**	**109,692**
CONTRACTUALS						
Air Conditioning Repair	0	8,000	0	0	-8,000	0
Hydraulic Hose Replacement	0	10,000	3,550	5,324	-10,000	-5,324
Machine Shop Services	0	4,000	0	0	-4,000	0
Starter & Alternator Services	0	2,000	0	0	-2,000	0
Tire Repairs	0	10,000	4,130	6,195	-10,000	-6,195
Windshield Glass Repairs	0	5,000	0	0	-5,000	0
TOTAL CONTRACTUALS	**0**	**39,000**	**7,680**	**11,519**	**-39,000**	**-11,519**
Furnishing & Equipment						
Office Equipment	5,500	6,500	0	0	-1,000	5,500
Power & Hand Tools	0	12,000	4,438	6,657	-12,000	-6,657
Safety Equipment	0	15,000	2,925	4,387	-15,000	-4,387
Shop Equipment	12,000	12,000	0	0	0	12,000
TOTAL FURNISHING & EQUIPMENT	**17,500**	**45,500**	**7,363**	**11,044**	**-28,000**	**6,456**
DEPARTMENT TOTAL	**3,261,629**	**2,431,266**	**3,703,745**	**5,555,617**	**830,364**	**-2,293,988**

Doc. No. 38GL-26-2853.*

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 420-423	***SECTION: FACILITY DIVISION***					
OBJECT CLASSIFICATION/ITEM	***FY-2027 Proposed Budget***	***FY-2026 Approved Budget***	***FY-2026 YTD Actuals 5/31/2026***	***FY-2026 Antcpd EOY***	***FY-27 Prop vs FY-26 Appr***	***FY-27 Prop vs FY-26 Antcpd EOY***
PERSONNEL SERVICES						
Management & Employee Salaries	*1,768,316*	*1,604,713*	*836,407*	*1,254,611*	*163,603*	*513,705*
Holiday Work	*8,709*	*10,694*	*5,806*	*8,709*	*-1,986*	*0*
Sick Leave Used	*0*	*0*	*28,936*	*43,405*	*0*	*-43,405*
Annual Leave Earned	*0*	*0*	*69,691*	*104,537*	*0*	*-104,537*
Comp Time Taken	*0*	*0*	*0*	*0*	*0*	*0*
Typhoon Salaries	*0*	*0*	*41,440*	*62,161*	*0*	*-62,161*
Labor Cost Salaries	*-705,805*	*-226,809*	*-690*	*-1,035*	*-478,996*	*-704,771*
Regular Salaries	***1,071,219***	***1,388,598***	***981,591***	***1,472,387***	***-317,379***	***-401,168***
Night Differential/Hazard Pay	*21,721*	*22,992*	*14,480*	*21,721*	*-1,272*	*0*
Overtime	*134,000*	*125,000*	*91,233*	*136,850*	*9,000*	*-2,850*
Labor Cost Overtime	*-40,200*	*-37,500*	*0*	*0*	*-2,700*	*-40,200*
TOTAL PERSONNEL SERVICES	***1,186,740***	***1,499,090***	***1,087,305***	***1,630,957***	***-312,351***	***-444,218***
PERSONNEL BENEFITS						
Retirement	*504,557*	*467,839*	*322,813*	*484,219*	*36,717*	*20,337*
Death & Disability	*8,064*	*8,049*	*5,160*	*7,739*	*15*	*325*
Hospital Insurance	*267,926*	*264,253*	*171,418*	*257,127*	*3,673*	*10,799*
Life Insurance	*5,081*	*5,140*	*3,251*	*4,876*	*-60*	*205*
Dental Insurance	*11,269*	*9,793*	*7,210*	*10,815*	*1,476*	*454*
Medicare	*22,024*	*22,127*	*14,091*	*21,136*	*-103*	*888*
Labor Cost Benefits	*-205,544*	*-107,122*	*-430*	*-644*	*-98,422*	*-204,899*
TOTAL PERSONNEL BENEFITS	***613,377***	***670,080***	***523,512***	***785,268***	***-56,703***	***-171,891***
MATERIALS & SUPPLIES						
Office Supplies	*1,500*	*1,500*	*114*	*172*	*0*	*1,328*
Operational Supplies	*124,000*	*110,000*	*73,392*	*110,089*	*14,000*	*13,911*
TOTAL MATERIALS & SUPPLIES	***125,500***	***111,500***	***73,507***	***110,260***	***14,000***	***15,240***
CONTRACTUALS						
Equipment Rental	*0*	*15,000*	*0*	*0*	*-15,000*	*0*
Professional Services	*45,000*	*40,000*	*14,696*	*22,044*	*5,000*	*22,956*
TOTAL CONTRACTUALS	***45,000***	***55,000***	***14,696***	***22,044***	***-10,000***	***22,956***
Furnishing & Equipment						
Office Equipment	*0*	*1,000*	*854*	*1,281*	*-1,000*	*-1,281*
Power & Hand Tools	*3,000*	*4,000*	*0*	*0*	*-1,000*	*3,000*
Safety Equipment	*3,000*	*2,500*	*883*	*1,325*	*500*	*1,675*
Shop Equipment	*5,000*	*5,000*	*1,914*	*2,871*	*0*	*2,129*
TOTAL FURNISHING & EQUIPMENT	***11,000***	***12,500***	***3,651***	***5,477***	***-1,500***	***5,523***
DEPARTMENT TOTAL	***1,981,617***	***2,348,170***	***1,702,671***	***2,554,006***	***-366,553***	***-572,389***

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 600	**SECTION: CORPORATE SERVICES MANAGER**					
OBJECT CLASSIFICATION/ITEM	**FY-2027 Proposed Budget**	**FY-2026 Approved Budget**	**FY-2026 YTD Actuals 5/31/2026**	**FY-2026 Antcpd EOY**	**FY-27 Prop vs FY-26 Appr**	**FY-27 Prop vs FY-26 Antcpd EOY**
PERSONNEL SERVICES						
Management & Employee Salaries	85,013	177,474	44,027	66,040	-92,462	18,973
Holiday Work	0	0		0	0	0
Sick Leave Used		0	173,410	260,114	0	-260,114
Annual Leave Earned		0	5,157	7,735	0	-7,735
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	1,252	1,878	0	-1,878
Labor Cost Salaries		0	0	0	0	0
Regular Salaries	**85,013**	**177,474**	**223,845**	**335,767**	**-92,462**	**-250,755**
Night Differential/Hazard Pay	0	0		0	0	0
Overtime	0	0		0	0	0
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**85,013**	**177,474**	**223,845**	**335,767**	**-92,462**	**-250,755**
PERSONNEL BENEFITS						
Retirement	27,834	111,705	17,757	26,635	-83,872	1,199
Death & Disability	0	517		0	-517	0
Hospital Insurance	8,647	26,859	5,516	8,275	-18,212	372
Life Insurance	194	574	124	186	-380	8
Dental Insurance	395	1,071	252	378	-676	17
Medicare	5,118	4,987	3,265	4,898	131	220
Labor Cost Benefits	0	0	0	0	0	0
TOTAL PERSONNEL BENEFITS	**42,188**	**145,714**	**26,914**	**40,371**	**-103,527**	**1,817**
MATERIALS & SUPPLIES						
Office Supplies	2,550	2,550	0	0	0	2,550
TOTAL MATERIALS & SUPPLIES	**2,550**	**2,550**	**0**	**0**	**0**	**2,550**
Furnishing & Equipment						
Office Equipment	300	300	0	0	0	300
TOTAL FURNISHING & EQUIPMENT	**300**	**300**	**0**	**0**	**0**	**300**
DEPARTMENT TOTAL	**130,050**	**326,039**	**250,759**	**376,138**	**-195,989**	**-246,088**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 610	**SECTION: GENERAL ADMINISTRATION DIVISION**					
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OBJECT CLASSIFICATION/ITEM	**FY-2027 Proposed Budget**	**FY-2026 Approved Budget**	**FY-2026 YTD Actuals 5/31/2026**	**FY-2026 Antcpd EOY**	**FY-27 Prop vs FY-26 Appr**	**FY-27 Prop vs FY-26 Antcpd EOY**
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PERSONNEL SERVICES						
Management & Employee Salaries	412,948	261,379	193,229	289,843	151,569	123,105
Holiday Work	0	0		0	0	0
Sick Leave Used		0	13,038	19,558	0	-19,558
Annual Leave Earned		0	20,972	31,458	0	-31,458
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	5,845	8,768	0	-8,768
Labor Cost Salaries		0	0	0	0	0
Regular Salaries	**412,948**	**261,379**	**233,084**	**349,626**	**151,569**	**63,322**
Night Differential/Hazard Pay	0	0		0	0	0
Overtime	0	0		0	0	0
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**412,948**	**261,379**	**233,084**	**349,626**	**151,569**	**63,322**
PERSONNEL BENEFITS						
Retirement	118,976	83,947	76,267	114,400	35,029	4,576
Death & Disability	305	865	196	294	-560	12
Hospital Insurance	56,159	64,128	35,999	53,999	-7,970	2,160
Life Insurance	748	905	479	719	-157	29
Dental Insurance	2,135	2,020	1,369	2,053	116	82
Medicare	4,807	3,616	3,081	4,622	1,191	185
Labor Cost Benefits	0	0	0	0	0	0
TOTAL PERSONNEL BENEFITS	**183,130**	**155,481**	**117,391**	**176,087**	**27,648**	**7,043**
MATERIALS & SUPPLIES						
Office Supplies	4,200	4,200	3,119	4,678	0	-478
TOTAL MATERIALS & SUPPLIES	**4,200**	**4,200**	**3,119**	**4,678**	**0**	**-478**
CONTRACTUALS						
Professional Services	10,900	6,070	4,103	6,154	4,830	4,746
TOTAL CONTRACTUALS	**10,900**	**6,070**	**4,103**	**6,154**	**4,830**	**4,746**
Furnishing & Equipment						
Office Equipment	1,325	3,300	153	229	-1,975	1,096
TOTAL FURNISHING & EQUIPMENT	**1,325**	**3,300**	**153**	**229**	**-1,975**	**1,096**
DEPARTMENT TOTAL	**612,503**	**430,431**	**357,850**	**536,775**	**182,072**	**75,729**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 620	**SECTION: HUMAN RESOURCES DIVISION**					
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OBJECT CLASSIFICATION/ITEM	**FY-2027 Proposed Budget**	**FY-2026 Approved Budget**	**FY-2026 YTD Actuals 5/31/2026**	**FY-2026 Antcpd EOY**	**FY-27 Prop vs FY-26 Appr**	**FY-27 Prop vs FY-26 Antcpd EOY**
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PERSONNEL SERVICES						
Management & Employee Salaries	581,552	539,292	291,251	436,877	42,260	144,675
Holiday Work	0	0		0	0	0
Sick Leave Used		0	13,059	19,589	0	-19,589
Annual Leave Earned		0	27,168	40,752	0	-40,752
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	5,587	8,381	0	-8,381
Labor Cost Salaries		0	0	0	0	0
Regular Salaries	**581,552**	**539,292**	**337,065**	**505,598**	**42,260**	**75,954**
Night Differential/Hazard Pay	0	0		0	0	0
Overtime	0	0		0	0	0
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**581,552**	**539,292**	**337,065**	**505,598**	**42,260**	**75,954**
PERSONNEL BENEFITS						
Retirement	179,623	165,651	114,592	171,888	13,972	7,735
Death & Disability	1,549	1,213	988	1,482	336	67
Hospital Insurance	51,171	62,230	32,645	48,968	-11,059	2,204
Life Insurance	1,035	1,111	660	990	-76	45
Dental Insurance	2,513	2,620	1,603	2,405	-107	108
Medicare	7,172	7,131	4,576	6,863	41	309
Labor Cost Benefits	0	0	0	0	0	0
TOTAL PERSONNEL BENEFITS	**243,064**	**239,956**	**155,064**	**232,597**	**3,108**	**10,467**
MATERIALS & SUPPLIES						
Office Supplies	2,100	2,100	1,259	1,888	0	212
TOTAL MATERIALS & SUPPLIES	**2,100**	**2,100**	**1,259**	**1,888**	**0**	**212**
TRAINING & TRAVEL						
Training (Local/Federal)	125,000	100,000	11,038	16,557	25,000	108,443
Travel (Local/Federal)	140,000	140,000	148,782	223,172	0	-83,172
TOTAL TRAINING & TRAVEL	**265,000**	**240,000**	**159,819**	**239,729**	**25,000**	**25,271**
Furnishing & Equipment						
Office Equipment	500	500	0	0	0	500
TOTAL FURNISHING & EQUIPMENT	**500**	**500**	**0**	**0**	**0**	**500**
Miscellaneous						
Dues & Subscriptions	2,833	1,200	1,196	1,794	1,633	1,039
TOTAL MISCELLANEOUS	**2,833**	**1,200**	**1,196**	**1,794**	**1,633**	**1,039**
DEPARTMENT TOTAL	**1,095,048**	**1,023,047**	**654,404**	**981,606**	**72,001**	**113,442**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 630-632	SECTION: PROCUREMENT/SUPPLY DIVISION					
OBJECT CLASSIFICATION/ITEM	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
PERSONNEL SERVICES						
Management & Employee Salaries	853,414	814,380	395,291	592,936	39,034	260,478
Holiday Work	0	0	0	0	0	0
Sick Leave Used	0	0	14,360	21,540	0	-21,540
Annual Leave Earned	0	0	37,954	56,931	0	-56,931
Comp Time Taken	0	0	0	0	0	0
Typhoon Salaries	0	0	9,003	13,504	0	-13,504
Labor Cost Salaries	-256,024	0	0	0	-256,024	-256,024
Regular Salaries	**597,390**	**814,380**	**456,607**	**684,911**	**-216,990**	**-87,522**
Night Differential/Hazard Pay	0	0	0	0	0	0
Overtime	2,500	2,500	0	0	0	2,500
Labor Cost Overtime	-750	0	0	0	-750	-750
TOTAL PERSONNEL SERVICES	**599,140**	**816,880**	**456,607**	**684,911**	**-217,740**	**-85,772**
PERSONNEL BENEFITS						
Retirement	239,935	230,066	153,804	230,706	9,868	9,228
Death & Disability	1,925	1,545	1,234	1,851	380	74
Hospital Insurance	96,348	113,154	61,762	92,643	-16,806	3,706
Life Insurance	1,868	2,123	1,198	1,796	-255	72
Dental Insurance	3,725	3,866	2,388	3,582	-141	143
Medicare	8,708	9,270	5,582	8,374	-561	335
Labor Cost Benefits	-71,980	0	0	0	-71,980	-71,980
TOTAL PERSONNEL BENEFITS	**280,529**	**360,024**	**225,967**	**338,951**	**-79,495**	**-58,422**
MATERIALS & SUPPLIES						
Office Supplies	2,000	2,000	824	1,236	0	764
TOTAL MATERIALS & SUPPLIES	**2,000**	**2,000**	**824**	**1,236**	**0**	**764**
CONTRACTUALS						
Advertising	17,000	17,000	2,894	4,341	0	12,659
Equipment Rental	95,000	82,000	65,660	98,490	13,000	-3,490
TOTAL CONTRACTUALS	**112,000**	**99,000**	**68,554**	**102,831**	**13,000**	**9,169**
Furnishing & Equipment						
Office Equipment	5,000	5,000	0	0	0	5,000
TOTAL FURNISHING & EQUIPMENT	**5,000**	**5,000**	**0**	**0**	**0**	**5,000**
Miscellaneous						
Drinking Water	15,000	10,000	4,164	6,246	5,000	8,754
TOTAL MISCELLANEOUS	**15,000**	**10,000**	**4,164**	**6,246**	**5,000**	**8,754**
DEPARTMENT TOTAL	**1,013,668**	**1,292,904**	**756,117**	**1,134,175**	**-279,236**	**-120,507**

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 640	SECTION: ENGINEERING/CIP DIVISION					
OBJECT CLASSIFICATION/ITEM	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
PERSONNEL SERVICES						
Management & Employee Salaries	729,194	698,552	232,084	348,126	30,642	381,068
Holiday Work	0	145		0	-145	0
Sick Leave Used		0	6,635	9,953	0	-9,953
Annual Leave Earned		0	20,378	30,567	0	-30,567
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	10,091	15,137	0	-15,137
Labor Cost Salaries	-510,436	-488,986	0	0	-21,450	-510,436
Regular Salaries	**218,758**	**209,710**	**269,188**	**403,782**	**9,048**	**-185,024**
Night Differential/Hazard Pay	198	822	132	198	-624	0
Overtime	78,000	78,000	984	1,476	0	76,524
Labor Cost Overtime	-78,000	-74,100	0	0	-3,900	-78,000
TOTAL PERSONNEL SERVICES	**218,956**	**214,432**	**270,304**	**405,457**	**4,524**	**-186,501**
PERSONNEL BENEFITS						
Retirement	141,283	97,706	90,133	135,199	43,578	6,084
Death & Disability	516	517	329	493	-2	22
Hospital Insurance	38,547	31,669	24,591	36,887	6,878	1,660
Life Insurance	1,082	892	691	1,036	191	47
Dental Insurance	2,798	2,102	1,785	2,677	695	120
Medicare	5,117	3,875	3,265	4,897	1,243	220
Labor Cost Benefits	-98,898	-95,732	0	0	-3,166	-98,898
TOTAL PERSONNEL BENEFITS	**90,445**	**41,029**	**120,793**	**181,189**	**49,416**	**-90,745**
MATERIALS & SUPPLIES						
Office Supplies	1,000	1,000	468	703	0	297
TOTAL MATERIALS & SUPPLIES	**1,000**	**1,000**	**468**	**703**	**0**	**297**
CONTRACTUALS						
Blue Print Services	200	200	0	0	0	200
Underwater Diving Services	30,000	40,000	3,359	5,039	-10,000	24,961
TOTAL CONTRACTUALS	**30,200**	**40,200**	**3,359**	**5,039**	**-10,000**	**25,161**
Furnishing & Equipment						
Office Equipment	2,000	2,000	0	0	0	2,000
TOTAL FURNISHING & EQUIPMENT	**2,000**	**2,000**	**0**	**0**	**0**	**2,000**
Miscellaneous						
Dues & Subscriptions	11,000	11,000	305	458	0	10,543
TOTAL MISCELLANEOUS	**11,000**	**11,000**	**305**	**458**	**0**	**10,543**
DEPARTMENT TOTAL	**353,601**	**309,661**	**395,230**	**592,845**	**43,940**	**-239,245**

BUSINESS UNIT: 650	SECTION: COMMERCIAL DIVISION					
OBJECT CLASSIFICATION/ITEM	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
PERSONNEL SERVICES						
Management & Employee Salaries	662,936	574,330	332,603	498,905	88,607	164,031
Holiday Work	0	0		0	0	0
Sick Leave Used		0	14,599	21,898	0	-21,898
Annual Leave Earned		0	38,419	57,629	0	-57,629
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	9,857	14,785	0	-14,785
Labor Cost Salaries		0	0	0	0	0
Regular Salaries	662,936	574,330	395,478	593,218	88,607	69,719
Night Differential/Hazard Pay	0	0		0	0	0
Overtime	10,000	10,000		0	0	10,000
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	672,936	584,330	395,478	593,218	88,607	79,719
PERSONNEL BENEFITS						
Retirement	193,325	159,736	123,926	185,889	33,589	7,436
Death & Disability	1,806	1,552	1,158	1,737	254	69
Hospital Insurance	80,966	83,371	51,901	77,852	-2,405	3,114
Life Insurance	1,427	1,023	915	1,372	404	55
Dental Insurance	3,376	2,927	2,164	3,246	449	130
Medicare	8,153	6,758	5,226	7,839	1,395	314
Labor Cost Benefits	0	0	0	0	0	0
TOTAL PERSONNEL BENEFITS	289,053	255,367	185,290	277,936	33,686	11,117
MATERIALS & SUPPLIES						
Office Supplies	5,000	5,000	634	950	0	4,050
TOTAL MATERIALS & SUPPLIES	5,000	5,000	634	950	0	4,050
CONTRACTUALS						
Appraisal Services	140,000	140,000	99,600	149,400	0	-9,400
Equipment Rental	5,000	5,000	1,394	2,091	0	2,909
Printing Services	15,000	15,000	4,772	7,157	0	7,843
Surveyor Services	80,000	40,000	0	0	40,000	80,000
TOTAL CONTRACTUALS	240,000	200,000	105,766	158,648	40,000	81,352
Furnishing & Equipment						
Office Equipment	7,000	7,000	0	0	0	7,000
Power & Hand Tools	0	4,000	0	0	-4,000	0
TOTAL FURNISHING & EQUIPMENT	7,000	11,000	0	0	-4,000	7,000
DEPARTMENT TOTAL	1,213,990	1,055,697	687,168	1,030,752	158,293	183,238

FY-2027
PROPOSED BUDGET

BUSINESS UNIT: 670 **SECTION: INFORMATION TECHNOLOGY DIVISION**

OBJECT CLASSIFICATION/ITEM	FY-2027 Proposed Budget	FY-2026 Approved Budget	FY-2026 YTD Actuals 5/31/2026	FY-2026 Antcpd EOY	FY-27 Prop vs FY-26 Appr	FY-27 Prop vs FY-26 Antcpd EOY
PERSONNEL SERVICES						
Management & Employee Salaries	686,958	644,844	360,841	541,262	42,113	145,696
Holiday Work	0	0		0	0	0
Sick Leave Used		0	8,662	12,993	0	-12,993
Annual Leave Earned		0	34,322	51,483	0	-51,483
Comp Time Taken		0	0	0	0	0
Typhoon Salaries		0	8,170	12,254	0	-12,254
Labor Cost Salaries	-197,875	-21,104	0	0	-176,772	-197,875
Regular Salaries	**489,082**	**623,741**	**411,995**	**617,992**	**-134,658**	**-128,910**
Night Differential/Hazard Pay	0	0		0	0	0
Overtime	20,000	15,000	5,214	7,820	5,000	12,180
Labor Cost Overtime		0	0	0	0	0
TOTAL PERSONNEL SERVICES	**509,082**	**638,741**	**417,208**	**625,812**	**-129,658**	**-116,730**
PERSONNEL BENEFITS						
Retirement	214,951	199,617	137,393	206,090	15,334	8,862
Death & Disability	0	0	0	0	0	0
Hospital Insurance	77,631	88,388	49,620	74,431	-10,757	3,201
Life Insurance	1,211	1,340	774	1,161	-129	50
Dental Insurance	2,699	2,636	1,725	2,588	62	111
Medicare	7,681	7,936	4,910	7,365	-254	317
Labor Cost Benefits	-64,485	-9,967	0	0	-54,518	-64,485
TOTAL PERSONNEL BENEFITS	**239,688**	**289,949**	**194,422**	**291,633**	**-50,261**	**-51,945**
MATERIALS & SUPPLIES						
Office Supplies	800	800	48	72	0	728
Operational Supplies	28,200	28,200	11,627	17,440	0	10,760
TOTAL MATERIALS & SUPPLIES	**29,000**	**29,000**	**11,675**	**17,513**	**0**	**11,487**
CONTRACTUALS						
Computer Maintenance	500,000	400,000	225,252	337,877	100,000	162,123
General Service & Maintenance	0	0		0	0	0
Professional Services	15,000	20,000	0	0	-5,000	15,000
TOTAL CONTRACTUALS	**515,000**	**420,000**	**225,252**	**337,877**	**95,000**	**177,123**
Furnishing & Equipment						
Office Equipment	0	5,000	710	1,065	-5,000	-1,065
Power & Hand Tools	5,000	5,000	0	0	0	5,000
Safety Equipment	0	750	0	0	-750	0
Computer Equipment	20,000	25,000		0	-5,000	20,000
TOTAL FURNISHING & EQUIPMENT	**25,000**	**35,750**	**710**	**1,065**	**-10,750**	**23,935**
Miscellaneous						
Dues & Subscriptions	70,000	71,000	7,203	10,805	-1,000	59,196
TOTAL MISCELLANEOUS	**70,000**	**71,000**	**7,203**	**10,805**	**-1,000**	**59,196**
DEPARTMENT TOTAL	**1,387,771**	**1,484,440**	**856,470**	**1,284,705**	**-96,669**	**103,066**

FY-2027
PROPOSED BUDGET

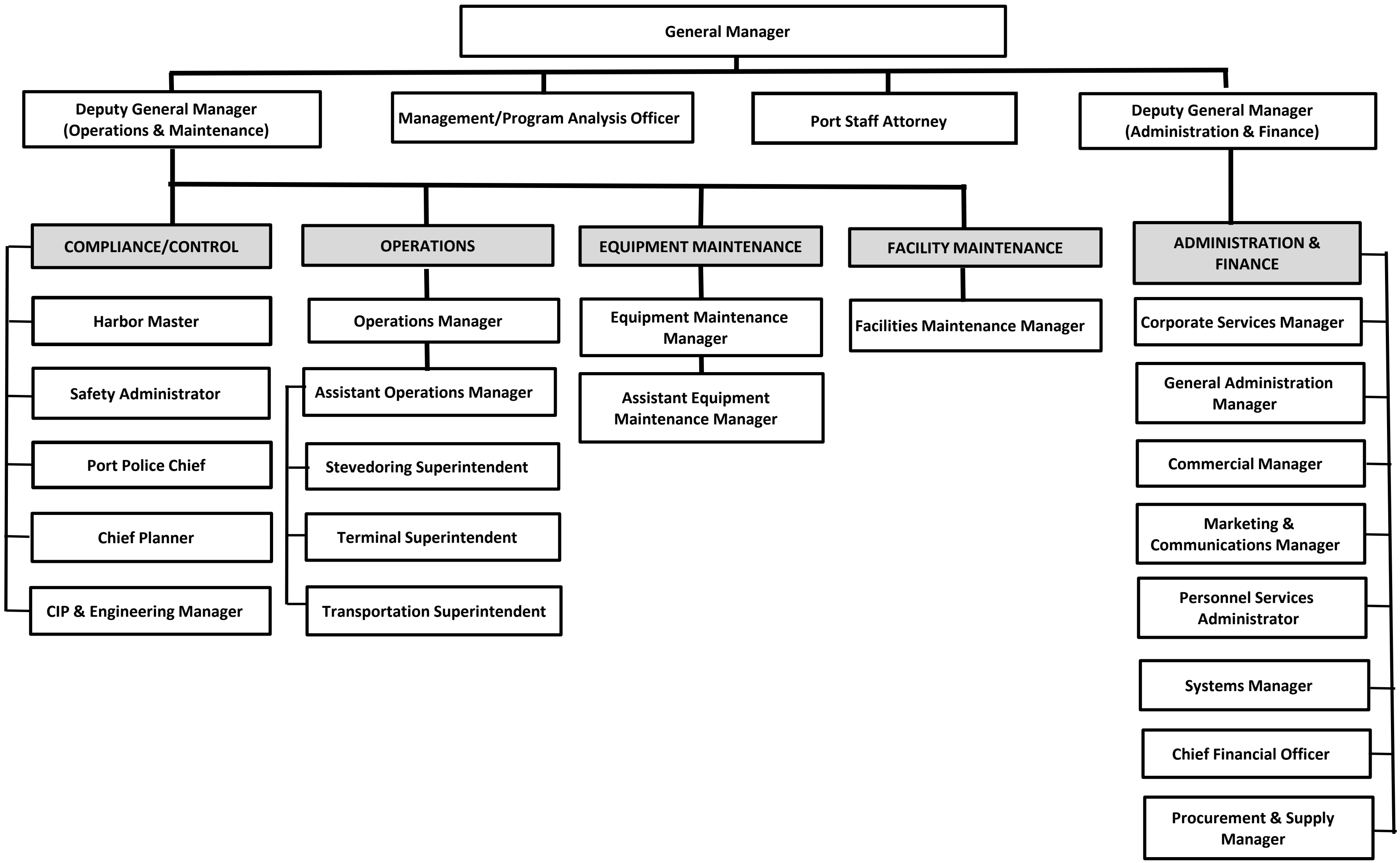
BUSINESS UNIT: 675-685, 140	**SECTION: FINANCE DIVISION**					
OBJECT CLASSIFICATION/ITEM	**FY-2027 Proposed Budget**	**FY-2026 Approved Budget**	**FY-2026 YTD Actuals 5/31/2026**	**FY-2026 Antcpd EOY**	**FY-27 Prop vs FY-26 Appr**	**FY-27 Prop vs FY-26 Antcpd EOY**
PERSONNEL SERVICES						
Management & Employee Salaries	1,945,638	1,805,417	1,057,432	1,586,148	140,221	359,491
Holiday Work	1,685	372	1,123	1,685	1,313	0
Sick Leave Used	0	0	43,215	64,822	0	-64,822
Annual Leave Earned	0	0	94,423	141,634	0	-141,634
Comp Time Taken	0	0	0	0	0	0
Typhoon Salaries	0	0	24,119	36,179	0	-36,179
Labor Cost Salaries	-30,126	-45,679	0	0	15,553	-30,126
Regular Salaries	**1,917,196**	**1,760,109**	**1,220,312**	**1,830,467**	**157,087**	**86,729**
Night Differential/Hazard Pay	32	0	21	32	32	0
Overtime	10,000	10,000	2,419	3,628	0	6,372
Labor Cost Overtime	0	0	-2,005	-3,008	0	3,008
TOTAL PERSONNEL SERVICES	**1,927,229**	**1,770,109**	**1,220,747**	**1,831,120**	**157,119**	**96,109**
PERSONNEL BENEFITS						
Retirement	629,285	571,085	400,309	600,463	58,200	28,822
Death & Disability	2,585	2,677	1,644	2,467	-92	118
Hospital Insurance	161,365	165,919	102,650	153,974	-4,554	7,391
Life Insurance	4,331	4,384	2,755	4,133	-53	198
Dental Insurance	7,216	6,661	4,591	6,886	555	331
Medicare	22,896	22,485	14,565	21,848	411	1,049
Labor Cost Benefits	-11,241	-21,574	0	0	10,333	-11,241
TOTAL PERSONNEL BENEFITS	**816,438**	**751,637**	**526,513**	**789,770**	**64,801**	**26,668**
MATERIALS & SUPPLIES						
Office Supplies	7,800	7,800	4,144	6,216	0	1,584
TOTAL MATERIALS & SUPPLIES	**7,800**	**7,800**	**4,144**	**6,216**	**0**	**1,584**
CONTRACTUALS						
Communication Maintenance	92,000	92,000	43,920	65,880	0	26,120
TOTAL CONTRACTUALS	**92,000**	**92,000**	**43,920**	**65,880**	**0**	**26,120**
Furnishing & Equipment						
Office Equipment	3,501	3,500	604	906	1	2,595
TOTAL FURNISHING & EQUIPMENT	**3,501**	**3,500**	**604**	**906**	**1**	**2,595**
Miscellaneous						
Dues & Subscriptions	2,000	2,000	3,397	5,096	0	-3,096
TOTAL MISCELLANEOUS	**2,000**	**2,000**	**3,397**	**5,096**	**0**	**-3,096**
DEPARTMENT TOTAL	**2,848,967**	**2,627,047**	**1,799,325**	**2,698,988**	**221,921**	**149,980**

FY-2027
PROPOSED BUDGET
CAPITAL IMPROVEMENT PROJECTS

A.) The following list of projects are currently ongoing or in the planning and design stages. Please note they are not in any order of priority and is Subject to Cash Availability and will go through the processes of being Certified and Approved by the Chief Financial Officer and the General Manager of the Port Authority of Guam

	Description	Category	Status	Start Date	End Date	Balance	Bid Amount
	BOND PROJECTS:						
1	Rehabilitation of H Wharf	BOND	Paused	10/2/2023	9/30/2026	44,591,831	46,331,895
2	EQMR Building Repairs and Upgrades	BOND	Ongoing	10/1/2022	5/31/2024	563,969	3,980,000
3	Financial Management System (Enterprise 1 Upgrade)	BOND	Ongoing	9/30/2019	12/31/2022	2,870	0
4	Golf Pier Repairs and Improvements	BOND	To be Rebid/Ongoing	1/1/2023	6/30/2024	1,627,852	5,345,000
5	New Administration Building	BOND	Paused			10,445,000	0
6	PL 35-44 Reprogrammed Funds (Other Priority Projects)	BOND	Ongoing			4,758,076	0
7	Warehouse 1 Repairs and Upgrades	BOND	Ongoing	6/16/2025	12/8/2026	1,489,284	4,837,223
8	Waterline Replacement and Relocation	BOND	Ongoing	8/1/2022	12/31/2023	1,979,526	4,856,569
9	Administation Building Spall Repair and Maintenance	BOND	To be awarded before FY '27	9/30/2026	9/30/2028		1,852,186
11							
12						**65,458,409**	**65,350,687**
13							
14	**Description**	**Category**	**Status**	**Start Date**	**End Date**	**Fed Share**	**PAG Share**
15	**Federal Funded CIP Projects:**						
16	JRM F1 Pier Infrastructure Restoration Project	FY2025 OLDCC DCIP	Ongoing. NEPA process and pending procurement.	1/9/2025	12/31/2029	4,886,958	2,094,411
	F1 to Golf Pier Fuel Connectivity Project	EDA	Ongoing	6/1/2023	5/28/2027	2,413,091	603,272
17	Wharves Service Life Extension: Wharves F2-F6 Hardening Project	MARAD	NEPA, Public Comment Review Period	1/1/2027	12/30/2028	17,941,997	4,482,677
18	Acquisition of Specialized Container Yard Equipment	MARAD AMHP	PAG to request reprograming for acquisition of cargo handling equipment	8/4/2023	5/1/2027	5,703,560	3,629,271
	Modernization Support Services	OLDCC		1/1/2027		1,400,000	
28							
29						**32,345,606**	**10,809,631**
30							
31	**Description**	**Priority**	**Status**	**Start Date**			**PAG**
32	**PAG Funded CIP Projects:**						
33	LC-2 and LC-3 Switch Gear Replacement	1	Priority	FY-2027			250,000
34	Replacement of Load Center No. 1 (LC1) Metering Cabinet						90,000
35	Replacement of Load Center No. 5 (LC5) Metering Cabinet						60,000
36							
37	Replace Typhoon Shutters at Gatehouse Admin Bldg	2	Priority	FY-2027			30,000
38	Replace Windows and Shutters at Operations Building						120,000
39	Operations Divisions Office Renovations						50,000
40	Operations Restroom in the yard						50,000
41	Remodeling Lower Tower Kitchen						10,000
42	Hightower Office and Bathroom renovations						81,500
43							
44	Repair/replace of chassis trailer parking stalls	3	Priority	FY-2027			100,000
45	Repair/Replace ADA Doors at rear entry of Port Admin building	4	Priority	FY-2027			18,500
46	Welders and Fleet Maintenance shop office and breakroom complete renovation	5	Priority	FY-2027			500,000
							1,360,000

PORT AUTHORITY OF GUAM
Jose D. Leon Guerrero Commercial Port
FY-2027
ORGANIZATIONAL CHART



Port Authority of Guam

Honorable Lou Leon Guerrero, Governor of Guam

Honorable Josh Tenorio, Lt. Governor of Guam

Board of Directors:

Conchita S.N. Taitano, Acting Chairperson

Fe Valencia-Ovalles, Board Secretary

Mark B.C. Mendiola, Board Member

Frank P. Arriola, Board Member

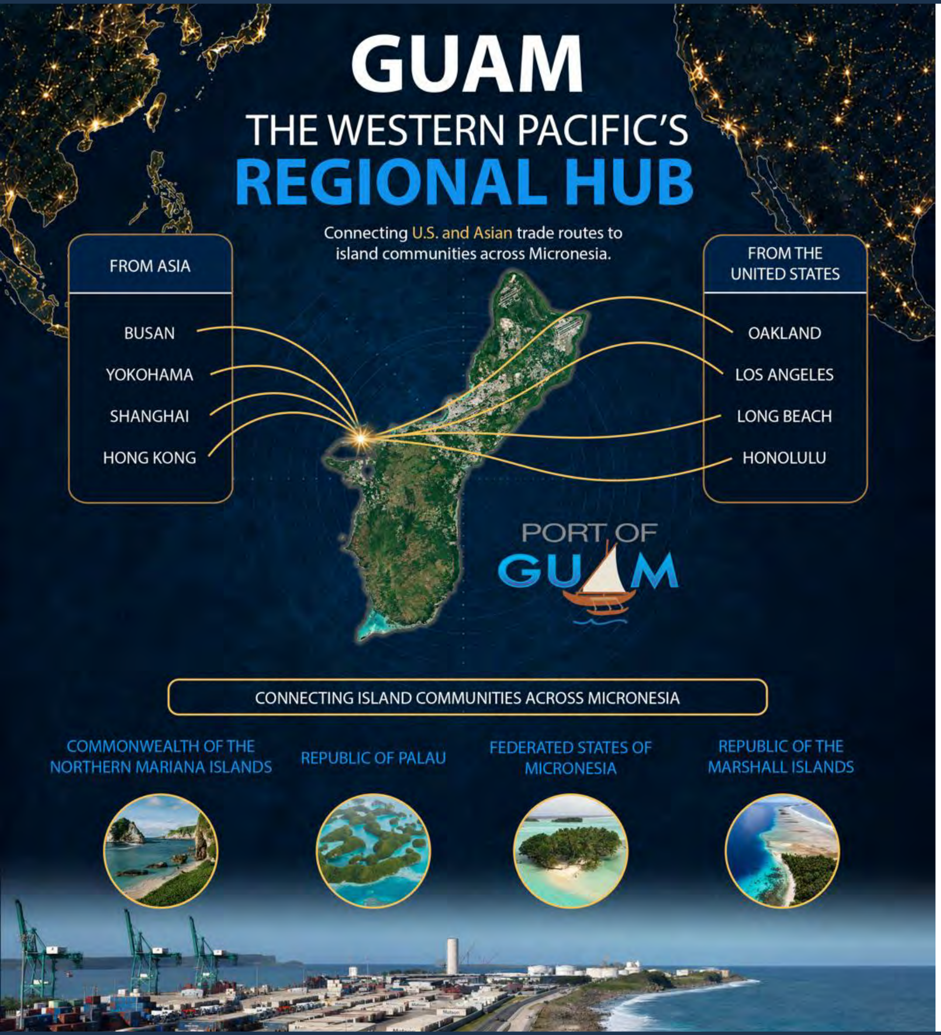
FY 2027 Budget Overview
Board of Directors & Management Team
October 2026 – September 2027

Presentation By: Jose B. Guevara III, CGFM, MBA, PMP, MPE

Chief Financial Officer

Doc. No. 38GL-26-2853.*

Why the Port Matters



- Guam's only commercial seaport
- Handles more than 90% of imported goods
- Regional connection for Micronesia
- Critical infrastructure for commerce, emergency response and regional supply chains
- 24/7 operation with no alternative facility

How We Develop the Annual Budget

The Port develops its annual budget from the ground up based on anticipated operational requirements and available financial resources.

Revenue Requirements

Project cargo and non-cargo revenues based on current performance and economic activity.

Operating Requirements

Determine personnel, maintenance, contractual, utility and other divisional requirements.

Capital Requirements

Identify CIP and major equipment projects that must commence or be procured during the fiscal year.

Financial Review

Ensure the proposed budget supports operations, capital priorities, debt obligations and long-term financial sustainability.

The FY 2027 budget is not simply the FY 2026 budget increased by a percentage.

Zero-Based Approach to Operating Expenses

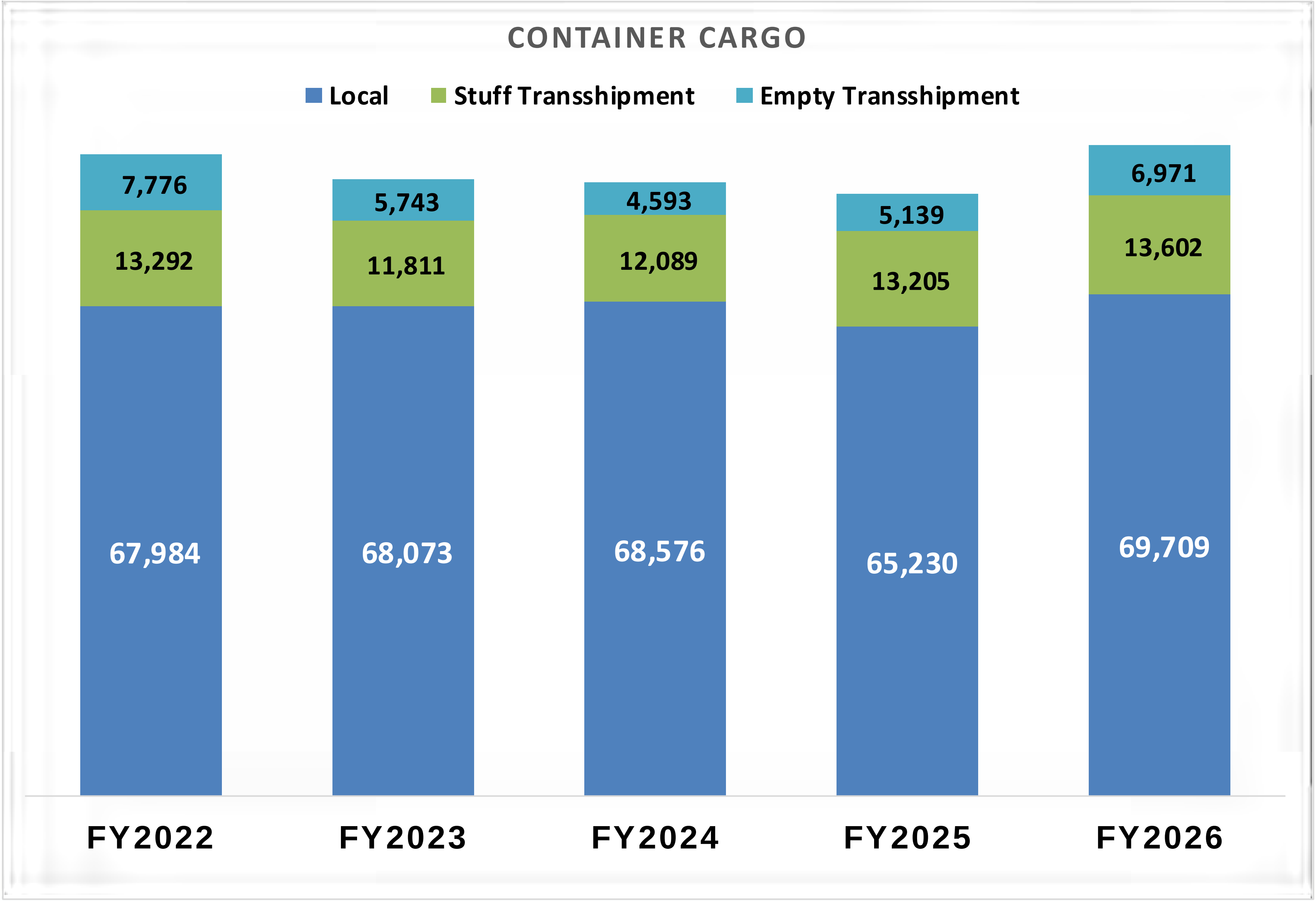
Building the Expense Budget From Operational Requirements

1	**Divisional Requirements**	Each division identifies what it needs to operate during FY 2027.
2	**Finance Review**	Finance evaluates historical expenditures, current-year spending and anticipated requirements.
3	**Justification & Prioritization**	New or increased expenditures must support an operational, safety, regulatory, maintenance or strategic requirement.
4	**Affordability**	Requests are evaluated against available and projected revenues.
5	**Port-Wide Review**	Resources are prioritized based on the overall needs of the Port.

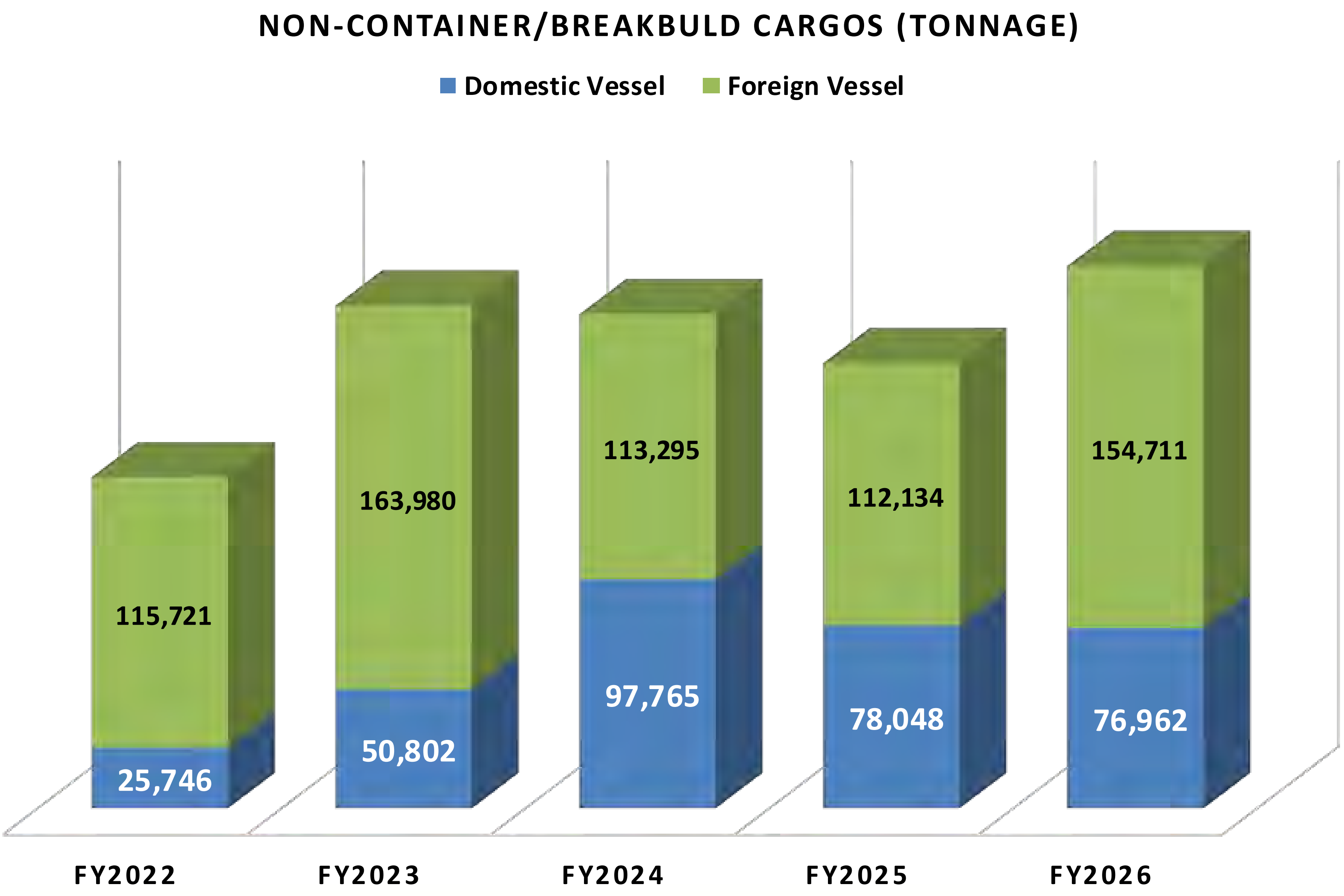
Key Factors Supporting the FY2027 Revenue Projection

- **FY2026 Actual Performance** - Current-year operating results provide the baseline.
- **Strong Container Growth** – YTD July container throughput increased **8.3%.** including **7.4% growth in local containers**.
- **Significant Breakbulk Growth** – YTD breakbulk cargo increased **27.4%**, led by strong foreign/project cargo activity.
- **Shipping Customer Outlook** – stable cargo volumes for FY2027.
- **Port Modernization & Reliability** – New gantry cranes, wharf/F1 repairs, crane tie-downs and other CIPs.
- **Major Military Construction** – Camp Blaz, missile defense, Apra Harbor and other defense projects.
- **Private & Public Construction** – Strong building permits and infrastructure investment.
- **Tourism & Economic Recovery** – Continued tourism recovery support demand for consumer goods, food, fuel and other imports.
- **Military Buildup & Force Realignment** – Continued Marine relocation and military activities.
- **Conservative Growth Assumptions** – Proposed revenue growth reflects moderation from FY2026 trends while recognizing continued construction and economic activity.

THE PORT'S PERFORMANCE

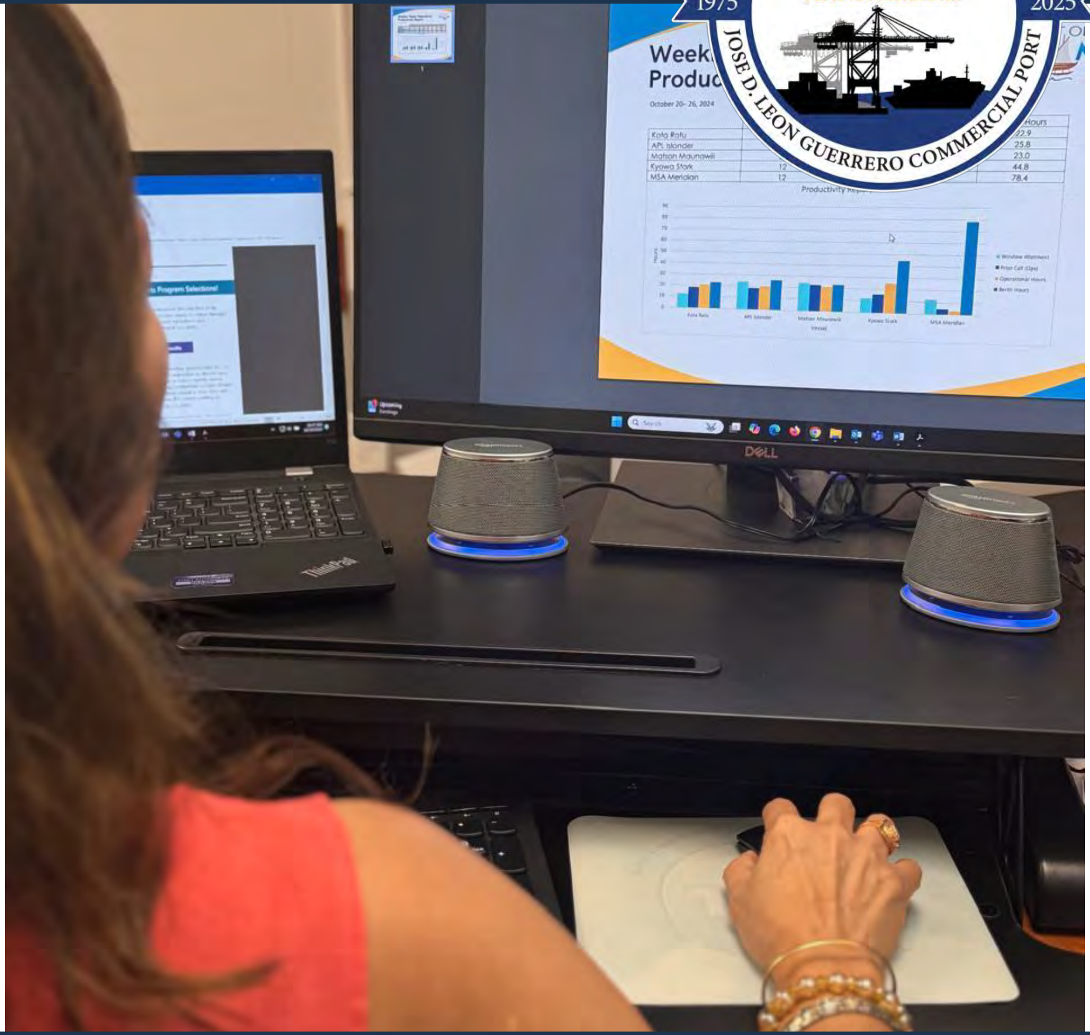


THE PORT'S PERFORMANCE

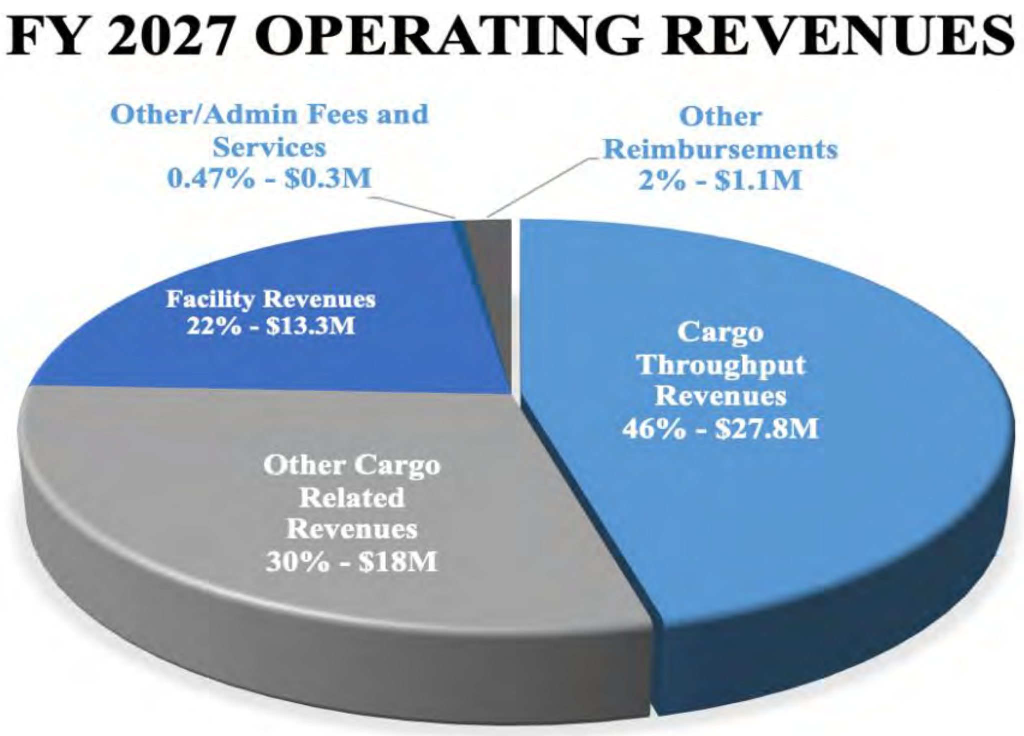


FY26 Revenue & Expense Overview

- Total Revenues: $67.1M
- Total Expenses: $63.0M
- Operating Income: $4.1M
- Other Inc. / Exp.: $1.2M
- Net Income: $2.9M



FY 2027 Operating Revenue Projection



Operating Revenues - $60.4 Million

DESCRIPTION	FY27 BUDGET	FY26 PROJ.	$ VAR	% VAR
Cargo Throughput Revenues	$ 27.78	$ 26.80	$ 0.98	4%
Other Cargo Related Revenues	$ 17.96	$ 17.30	$ 0.66	4%
Facility Revenues	$ 13.27	$ 14.10	$ (0.83)	-6%
Other/Admin Fees and Services	$ 0.28	$ 0.20	$ 0.08	42%
Other Reimbursements	$ 1.11		$ 1.11	0%
Total	$ 60.41	$ 58.40	$ 2.01	3%

Revenue projections should be reasonable, achievable and sufficient to support Port operations.

FY 2027 Sources & Uses

SOURCES

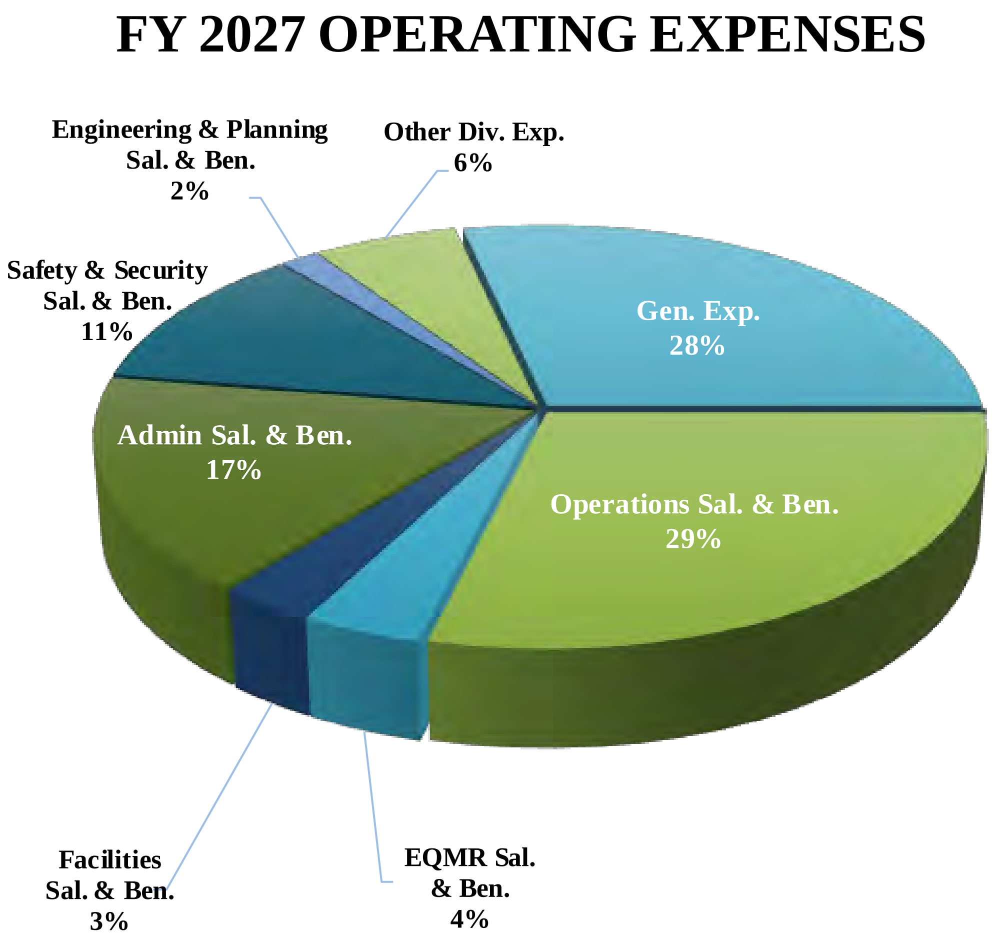
- Operating revenues – $60.4M
- Federal reimbursements / grant funding as applicable
- Crane surcharge revenues
- Facility Maintenance Fee revenues
- Other available funds

USES

- Operating expenses
- Debt service
- Crane-related expenses
- Facility Maintenance expenses
- Capital Improvement Projects – $25.17M
- Major equipment requirements

The budget must balance today's operating requirements with tomorrow's infrastructure needs.

FY 2027 Operating Expenses



Personnel and operating requirements are evaluated together to support safe and efficient Port operations.

Expense Composition

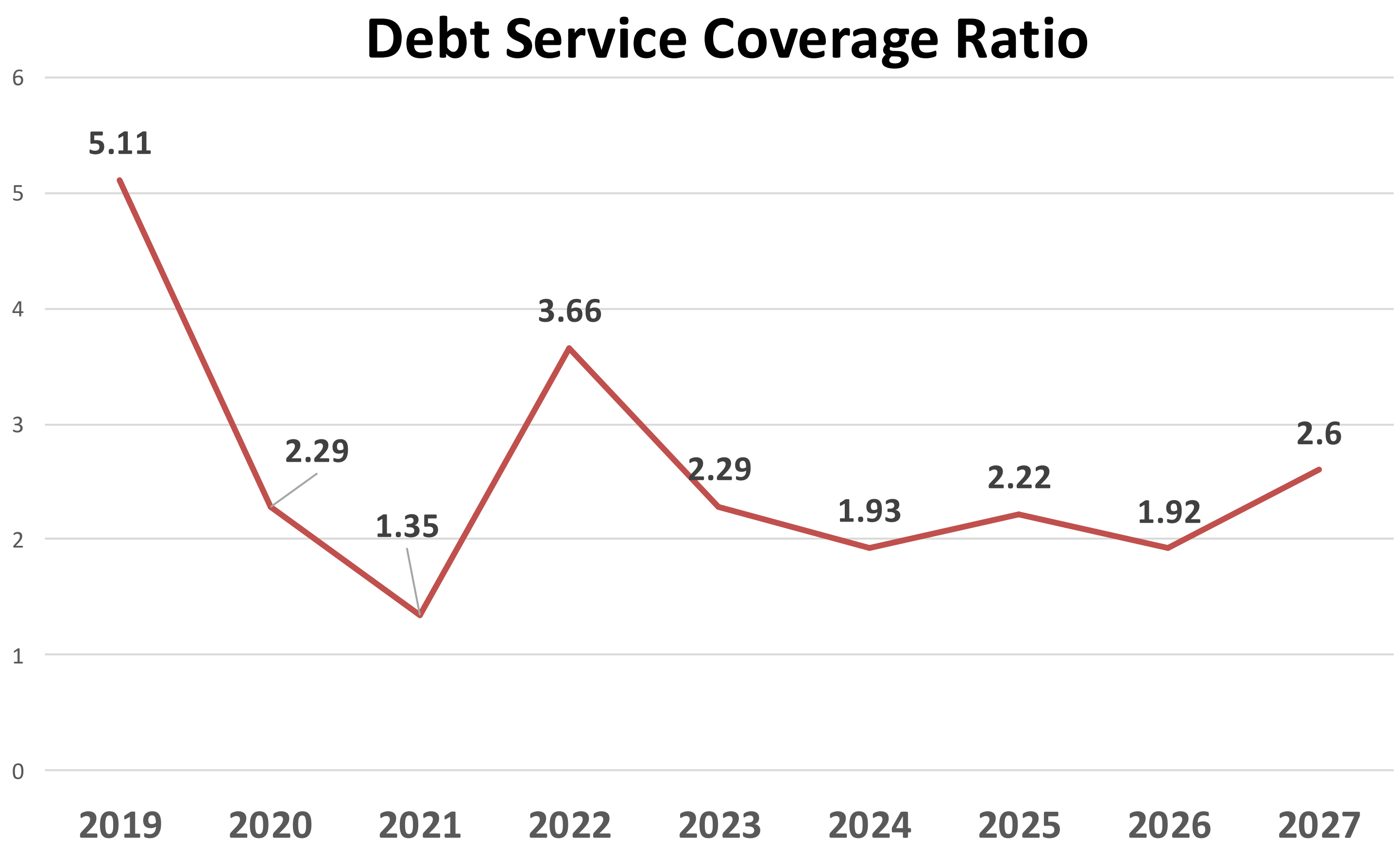
Description	Amount
Operations Sal. & Ben.	$ 16,852,661
EQMR Sal. & Ben.	$ 2,296,100
Facilities Sal. & Ben.	$ 1,800,117
Admin Sal. & Ben.	$ 9,766,166
Safety & Security Sal. & Ben.	$ 6,604,666
Engineering & Planning Sal. & Ben.	$ 932,640
Other Div. Exp.	$ 3,525,415
Gen. Exp.	$ 16,626,652
Total	**$ 58,404,417**

FY 2027 Financial Overview

Proposed Budget

Operating Revenues	$60.4M
Operating Expenses	$58.4M
Operating Income	$2.0M
Other Income/Expense	$4.9M
Net Income	$6.9M
Crane Net Income	$0.21M
FMF Net Income	$1.8M
Total Net Income/Loss	$8.7M

Debt Service & Financial Sustainability

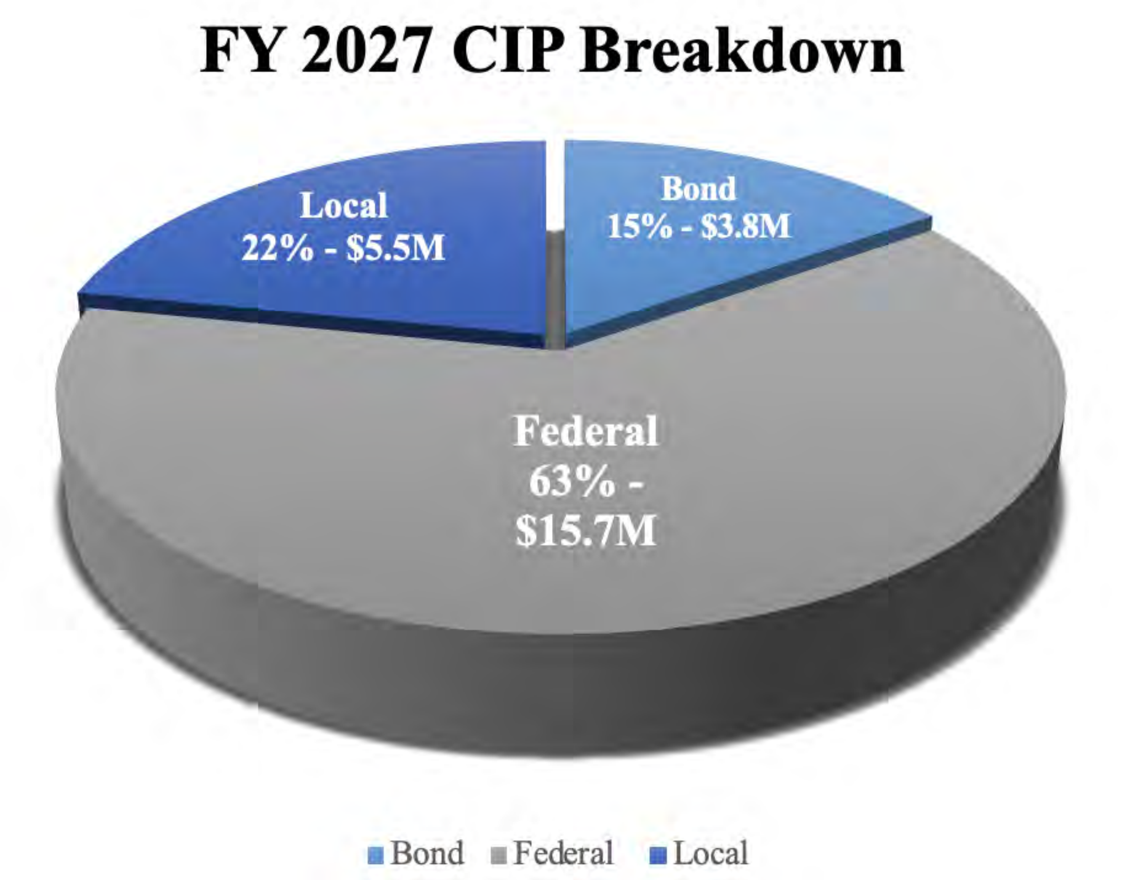


- Maintains DSCR above covenant levels, with demonstrated recovery and stabilization post-pandemic
- Strong alignment of revenues, expenses, and debt obligations
- Financial performance supports sustainable debt capacity
- Positioned to support future capital financing while maintaining coverage

Maintaining adequate debt-service coverage is an important component of the Port's long-term financial strategy.

CIP & Major Equipment Requirements

- Projects already under construction
- Projects entering procurement
- Projects that need to commence during FY 2027
- Major equipment requiring replacement or acquisition
- Local matching requirements for federal grants
- Grant-funded capital projects
- Remaining bond-funded projects
- Safety and operational reliability requirements



FY 2027 CIP Total: $25.17 Million

Federal Grant CIP Projects

- 3 New STS Gantry Cranes - $60M
- Welding Shop Repairs and Upgrades - $596K
- Generator Maintenance and Sustainment Program - $331K
- Wharves Service Life Extension: Wharves F2 - F6 Hardening Project - $22.4M
- Fendering System Hardening Project (HMGP) - $805K
- Port Sustainability and Resiliency Plan - $1.5M
- F1 Pier Infrastructure Restoration Project - $6.2M
- Fuel Connectivity Project - $3M
- Acquisition of Specialized Yard Equipment - $9.3M

Key Risks & Opportunities

OPPORTUNITIES

- Continued military construction
- Federal infrastructure investment
- Local construction activity
- Cargo growth
- Transshipment opportunities
- Federal grant funding
- Port modernization projects

RISKS

- Inflation and increasing operating costs
- Cargo volume fluctuations
- Tourism and broader economic uncertainty
- Aging infrastructure and equipment
- Timing of capital projects
- Grant reimbursement timing
- Unanticipated operational requirements

The budget should be disciplined enough to maintain financial stability while remaining flexible to respond to changing conditions.

FY 2027 Proposed Budget

Operating Revenues (chart provided)	**$60.4M**
CIP Program	**$25.17M**
Federal CIP Funding	**$15.78M**
Local CIP Funding	**$5.52M**
Bond CIP Funding	**$3.87M**

The FY 2027 financial plan combines operating requirements with a significant capital program funded from federal, local and bond sources.

Port Authority of Guam

Honorable Lou Leon Guerrero, Governor of Guam
Honorable Josh Tenorio, Lt. Governor of Guam

Board of Directors:
Conchita S.N. Taitano, Acting Chairperson
Fe Valencia-Ovalles, Board Secretary
Mark B.C. Mendiola, Board Member
Frank P. Arriola, Board Member

Thank you!
QUESTIONS?

BOARD OF DIRECTORS
Conchita S.N. Taitano, Vice Chairperson
Fe R. Valencia-Ovalles, Board Secretary
Mark B.C. Mendiola, Board Member
Frank P. Arriola, Board Member

PORT OF GUAM

Resolution No. 2026-06

RELATIVE TO PETITIONING THE PUBLIC UTILITIES COMMISSION (PUC) FOR APPROVAL OF RFP-PAG-022-003 A/E DESIGN AND CONSULTING SERVICES FOR THE INSTALLATION OF A FUEL PIPELINE SYSTEM AT F1 PIER AND GOLF PIER CONNECTIVITY PROJECT AMENDMENT NO. 1.

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

WHEREAS, the Port Authority of Guam previously engaged the professional services of the A&E Contractor, AM Orient, to perform the Fuel Pipeline Connectivity Design under the Port Authority of Guam Request for Proposal RFP-PAG 022-003 A/E Design and Consulting Services for the Installation of a Fuel Connectivity Pipeline System between F1 Pier and Golf Pier; and

WHEREAS, under the Original Agreement, the Contractor performed design services funded by the U.S. Department of Commerce, Economic Development Administration (EDA) Award No. 07-79-07614, with an original federal award amount of $3,016,363.00 of which $471,588.55 was expended for the initial A&E design scope; and

WHEREAS, EDA has since approved the PAG's request to de-scope construction activities and expand the design scope under modified Award No. 07-79-07614, requiring the Contractor to perform additional design work to include full design of an LPG pipeline; full design of a C Line Mogas bypass line; full design of tie in stub outs to Area A Tank Farm; and a complete biological survey and assessment of Golf Pier; and

WHEREAS, EDA's modification expands the Contractor's original design responsibilities and requires the Port to incorporate the EDA approved expanded Scope of Services into the Original Agreement; and

WHEREAS, EDA has approved the PAG's request for its existing Contractor to perform the expanded design scope and extended the period of performance to May 28, 2027, thereby enabling the Contractor to complete all required additional design work; and

WHEREAS, EDA's modification authorizes additional funding in the amount of up to Two Million Three Hundred Fifty-Four Thousand Ninety-Eight Dollars and Eight Cents ($2,354,098.08) to allow the A&E Contractor, AM Orient, to perform all aforementioned services which are additional designs to its original A&E design scope; requiring the Port Authority of Guam to accordingly modify its contract with AM Orient, with this Amendment No. 1 resulting in the total amount of Two Million Eight Hundred Twenty Five Thousand Six Hundred Eighty Six Dollars and Sixty Three Cents ($2,825,686.63) to AM Orient, to perform the additional work to expand its original design; and

WHEREAS, the PAG will also exercise its contractual option to extend the term of the Original Agreement by one year, from June 28, 2026 to June 27, 2027, to align with the extended federal period of performance and ensure continuity of design services; and

WHEREAS, the PAG is required to comply with all terms and conditions of 2 CFR 200, EDA Award No. 07-79-07614, and all associated modifications; now, therefore, be it

RESOLVED, by mutual agreement, the parties agree that Amendment No. 1 shall incorporate the expanded EDA approved Scope of Services to be completed by the period of performance date of May 28, 2027, revise the A&E design cost to $2,825,686.63, extend the contract term to June 27, 2027, and modify the Original Agreement consistent with the requirements of EDA Award No. 07-79-07614; and be it further

RESOLVED, that in accordance with PAG Docket 09-01 Contract Review Protocol, the Port Authority Board of Directors authorizes Management to petition PUC for review and approval of Amendment No. 1; and be it further

RESOLVED, that the Chairperson certify to, and the Secretary attest to, the adoption hereof, and that a copy of this resolution be sent to the Public Utilities Commission.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS _31ST_ DAY OF AUGUST, 2026.

____
Port Authority of Guam

____
Port Authority of Guam

BOARD OF DIRECTORS
Conchita S.N. Taitano, Vice Chairperson
Fe R. Valencia-Ovalles, Board Secretary
Mark B.C. Mendiola, Board Member
Frank P. Arriola, Board Member

Resolution No. 2026-07

RELATIVE TO MEMORIALIZING THE GENERAL MANAGER'S INTENT TO EXERCISE THE ONE-YEAR EXTENSION OF THE EXISTING LEASE AGREEMENT WITH BLACK CONSTRUCTION CORPORATION FOR H WHARF AND TO AMEND THE LEASE TO PROVIDE FOR AN ADDITIONAL FIVE-YEAR TERM, REPRESENTING APPROXIMATELY $5.47 MILLION IN LEASE REVENUE TO THE PORT AUTHORITY OF GUAM OVER THE ADDITIONAL SIX-YEAR PERIOD.

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

WHEREAS, the Port Authority of Guam is responsible for the management, operation, development, and stewardship of the Jose D. Leon Guerrero Commercial Port and the real property and facilities under its jurisdiction; and

WHEREAS, Black Construction Corporation currently leases certain Port property pursuant to a Lease Agreement effective May 1, 2025, including Lot Parcel 3 REM, identified in the Lease Agreement as Hotel Wharf and commonly referred to as H Wharf; and

WHEREAS, H Wharf consists of approximately One Hundred Twenty-Nine Thousand One Hundred Sixty-Six and 93/100 (129,166.93) square feet of Port property, or approximately 2.97 acres, and is presently leased to Black Construction Corporation at a monthly rental rate of Seventy-Five Thousand Nine Hundred Fifty Dollars and Fifteen Cents ($75,950.15); and

WHEREAS, the current monthly rental rate for H Wharf represents annual lease revenue to the Port Authority of Guam of approximately Nine Hundred Eleven Thousand Four Hundred One Dollars and Eighty Cents ($911,401.80); and

WHEREAS, at the time the existing Lease Agreement with Black Construction Corporation was consummated, applicable Guam law limited commercial leases of public real property to a term not exceeding five (5) years without prior legislative approval, and the Lease Agreement was accordingly structured to provide for an initial four (4) year term commencing June 1, 2025 and expiring May 31, 2029, together with an additional one (1) year extension; and

WHEREAS, subsequent to the consummation of the existing Lease Agreement, Public Law 38-1 amended § 5127(a) of Chapter 5, Title 5, Guam Code Annotated, to increase the permissible term for commercial leases of public real property from five (5) years to fifteen (15) years, inclusive of any extension, option, or renewal, thereby expanding the Port Authority of Guam's authority to enter into and maintain longer term commercial lease arrangements without prior legislative approval; and

WHEREAS, the Board recognizes that the five (5) year maximum term reflected in the existing Lease Agreement was based upon the statutory limitation in effect at the time the Lease Agreement was consummated, and that Public Law 38-1 now permits commercial lease terms of up to fifteen (15) years, inclusive of extensions, options, and renewals; and

WHEREAS, Black Construction Corporation has expressed its desire to continue its tenancy at H Wharf, and the General Manager intends to exercise the existing one (1) year extension and thereafter amend the existing Lease Agreement to provide for an additional five (5) year term, resulting in an aggregate lease period of ten (10) years from the original commencement date and remaining within the fifteen (15) year maximum term authorized by current law; and

WHEREAS, the proposed additional five (5) year term will be accomplished through an amendment to the existing Lease Agreement, thereby continuing the existing lease relationship between the Port Authority of Guam and Black Construction Corporation rather than establishing a new lease agreement, with the existing rental structure and other terms and conditions remaining in effect except as expressly modified by the amendment; and

WHEREAS, based upon the current H Wharf monthly rental rate of Seventy-Five Thousand Nine Hundred Fifty Dollars and Fifteen Cents ($75,950.15), the existing one (1) year extension represents approximately Nine Hundred Eleven Thousand Four Hundred One Dollars and Eighty Cents ($911,401.80) in lease revenue to the Port, and the proposed additional five (5) year term represents approximately Four Million Five Hundred Fifty-Seven Thousand Nine Dollars ($4,557,009.00) in additional lease revenue, for a combined rental value of approximately Five Million Four Hundred Sixty-Eight Thousand Four Hundred Ten Dollars and Eighty Cents ($5,468,410.80) over the additional six (6) year period, exclusive of any other revenues, adjustments, improvements, or economic benefits associated with the Lease Agreement; and

WHEREAS, continuation of the existing lease relationship provides the Port with a predictable source of lease revenue and continuity in the productive use of approximately 2.97 acres of Port property while retaining an established tenant at H Wharf; and

WHEREAS, under the existing Lease Agreement, Black Construction Corporation is responsible, at its sole cost and expense, for the normal maintenance of the leased premises and for maintaining the premises, appurtenances, and tenant improvements in good and sanitary order, condition, and repair, thereby reducing maintenance obligations that would otherwise be borne by the Port; and

WHEREAS, Black Construction Corporation is also responsible under the existing Lease Agreement for utilities and other applicable charges associated with its use of the premises, including electricity, water, sewerage, and refuse collection; and

WHEREAS, the continued presence of Black Construction Corporation at H Wharf provides additional operational value to the Port, as demonstrated by the availability and use of Black Construction Corporation equipment and personnel in support of temporary cargo handling and recovery operations conducted at H Wharf following Super Typhoon Bavi; and

WHEREAS, the continued lease of H Wharf does not eliminate the operational utility of the facility to the Port, and the existing Lease Agreement preserves the Port's ability to access and use the premises as necessary for essential Port functions, emergency response, health and safety, and Port operational security; and

WHEREAS, the continued lease of H Wharf does not diminish its importance as an operational Port facility, and the General Manager has determined that the Port's operational, emergency response, and security requirements for H Wharf should be formally incorporated into the Port Authority of Guam's Facility Security Plan to ensure that such requirements are preserved throughout the extended lease term and beyond; and

WHEREAS, the Board of Directors supports the General Manager's decision to pursue an amendment to the Port Authority of Guam's Facility Security Plan, consistent with applicable federal requirements and the appropriate approval process, to incorporate H Wharf within the Port's established security framework and to institutionalize the operational and security requirements applicable to the facility; and

WHEREAS, incorporating H Wharf into the Facility Security Plan will further ensure that the continued commercial use of the premises remains compatible with the Port's responsibility to maintain access, readiness, security, emergency response capability, and the ability to utilize H Wharf when required for essential Port operations; and

WHEREAS, extending the existing lease relationship also provides a longer planning horizon for Black Construction Corporation and the Port to identify and undertake additional capital improvements to H Wharf and the leased premises that may enhance the condition, utility, readiness, and long-term value of Port property; and

WHEREAS, such additional capital improvements may be considered for lease payment offsets pursuant to Public Law 38-26 and the Port Authority of Guam's established policy governing lease payment offsets for tenant funded capital improvements, thereby providing an additional mechanism through which improvements to H Wharf may be advanced during the extended lease term; and

WHEREAS, the additional five (5) year term therefore provides an opportunity to leverage the continuation of an existing revenue producing lease to facilitate additional private investment in H Wharf while preserving the Port's oversight over capital improvements and the Board of Directors' authority to approve any corresponding lease payment offsets as provided by law; and

WHEREAS, the General Manager has determined that exercising the existing one (1) year extension and amending the existing Lease Agreement for an additional five (5) year term provides economic, operational, security, and infrastructure value to the Port Authority of Guam by securing continued lease revenue, maintaining productive use of Port property, preserving the operational utility of H Wharf, institutionalizing the Port's operational requirements for the facility, and creating additional opportunities for capital investment; and

WHEREAS, the General Manager, in conjunction with the Port Authority of Guam's in house legal counsel, will develop the amendment to the existing Lease Agreement necessary to effectuate the additional five (5) year term and ensure that the amended Lease Agreement preserves the Port's legal, operational, security, financial, and property interests; and

WHEREAS, the Board of Directors desires to memorialize the General Manager's intent to exercise the existing one (1) year extension and proceed with an amendment to the existing Lease Agreement providing for an additional five (5) year term.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Board of Directors of the Port Authority of Guam hereby acknowledges and memorializes the General Manager's intent to exercise the one (1) year extension provided under the existing Lease Agreement with Black Construction Corporation with respect to H Wharf and thereafter amend the existing Lease Agreement to provide for an additional five (5) year term, resulting in an aggregate lease term of ten (10) years from the original commencement date.
2. The additional five (5) year term shall constitute an amendment to and continuation of the existing Lease Agreement and not a new lease agreement, with the existing rental structure and all other terms and conditions of the Lease Agreement remaining in full force and effect except as may be expressly modified by the amendment.
3. Pursuant to Public Law 38-26, any capital improvement proposed by Black Construction Corporation for which a lease payment offset is sought shall be presented by the General Manager to the Board of Directors for review and approval and shall comply with the eligibility, documentation, verification, and other applicable requirements of Public Law 38-26 and the Port Authority of Guam's established policy governing lease payment offsets for tenant funded capital improvements; and

BE IT FURTHER RESOLVED, that the Board of Directors supports the General Manager's decision to pursue the amendment of the Port Authority of Guam's Facility Security Plan to incorporate H Wharf and institutionalize the operational and security requirements necessary to preserve the facility's continuing availability and utility for essential Port operations, emergency response, and other operational requirements, consistent with applicable federal requirements and approval processes; and

BE IT FURTHER RESOLVED, that the General Manager, in conjunction with the Port Authority of Guam's in house legal counsel, is authorized to develop and finalize the amendment to the existing Lease Agreement with Black Construction Corporation and to take such administrative actions and execute such documents as may be necessary and appropriate to effectuate the foregoing, consistent with the existing Lease Agreement, Public Law 38-1, § 5127(a) of Chapter 5, Title 5, Guam Code Annotated, Public Law 38-26, and other applicable law; and

BE IT FURTHER RESOLVED, that the Chairperson certify to, and the Secretary attest to, the adoption of this Resolution, and that copies thereof be transmitted to Black Construction Corporation, the Captain of the Port, United States Coast Guard Sector Guam, and other appropriate oversight entities.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 31st DAY OF AUGUST, 2026.

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Port Authority of Guam	Port Authority of Guam

BOARD OF DIRECTORS
Conchita S.N. Taitano, Vice Chairperson
Fe R. Valencia-Ovalles, Board Secretary
Mark B.C. Mendiola, Board Member
Frank P. Arriola, Board Member

Resolution No. 2026-08

RELATIVE TO MEMORIALIZING THE GENERAL MANAGER'S INTENT TO NEGOTIATE AND EXECUTE A LEASE AGREEMENT BETWEEN THE PORT AUTHORITY OF GUAM AND KALS CORPORATION, DBA MARINA GRILL, AN EXISTING PORT TENANT, FOR THE CONTINUED OPERATION AND ENHANCEMENT OF THE MARINA GRILL RESTAURANT ON PORT PROPERTY AT THE AGAT MARINA, INCLUDING THE CONTEMPLATED INTRODUCTION OF THE TAJ RESTAURANT CONCEPT AND MENU OFFERINGS.

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

WHEREAS, the duties of the Board of Directors of the Port Authority of Guam include the control, management, and jurisdiction of Port property, while the Board has historically tasked the General Manager with determining the best and highest use of Port real property and entering into, managing, and maintaining lease agreements that serve the best interests of the Port Authority of Guam; and

WHEREAS, Kals Corporation, doing business as Marina Grill, is an existing commercial tenant of the Port Authority of Guam and has operated the Marina Grill Restaurant on Port property at the Agat Marina since 2015, with its soft opening held on December 18, 2015, and its grand opening publicly recognized by the Port Authority of Guam in January 2016; and

WHEREAS, for more than ten (10) years, Marina Grill has provided a restaurant amenity at the Agat Marina serving marina users, fishermen, boaters, residents, visitors, Port employees, and the surrounding community, while contributing lease revenue and supporting the productive commercial use and continued vitality of Port property; and

WHEREAS, Kals Corporation intends to continue and enhance the Marina Grill operation through contemplated private investment in the restaurant premises and the introduction of menu offerings and culinary influences associated with The Taj, an established restaurant operating in Koror, Republic of Palau, presenting an opportunity to expand the variety of dining options available at the Agat Marina while maintaining continuity of the existing restaurant operation; and

WHEREAS, the contemplated enhancement of Marina Grill is expected to involve continued private investment in the restaurant premises, equipment, furnishings, and operations, and the General Manager recognizes that sufficient lease tenure can provide an existing commercial tenant with the certainty necessary to undertake such investment while providing the Port with continuity of occupancy, lease revenues, and improvements to Port property; and

WHEREAS, Kals Corporation will remain the corporate lessee of the Port Authority of Guam, and the contemplated introduction of The Taj restaurant concept and menu offerings into Marina Grill does not change the identity of the Port's lessee or make The Taj a party to the lease agreement; and

WHEREAS, the General Manager has determined that continuing the Port Authority of Guam's longstanding commercial relationship with Kals Corporation is in the best interest of the Port, taking into consideration the tenant's established presence, the contemplated private investment and enhancement of the restaurant operation, and the Port's interest in the continued productive use of the property; and

WHEREAS, the Board of Directors finds it appropriate, in the interest of transparency and good governance, to acknowledge and memorialize the General Manager's intent to negotiate and execute a formal written lease agreement with Kals Corporation, dba Marina Grill; now, therefore, be it

RESOLVED, that the Board of Directors of the Port Authority of Guam hereby acknowledges and memorializes the intent of the General Manager of the Port Authority of Guam, in conjunction with the Port's in house counsel, to negotiate and execute a formal written lease agreement with Kals Corporation, dba Marina Grill, for the continued use and occupation of Port property at the Agat Marina for the continued operation and enhancement of the Marina Grill Restaurant, including the contemplated introduction of The Taj restaurant concept and menu offerings, pursuant to applicable law and in the best interests of the Port Authority of Guam; and be it further

RESOLVED, that the Chairperson certify to, and the Secretary attest to, the adoption hereof, and that copies of the same be thereafter transmitted to Kals Corporation, and such other appropriate parties.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS _31st_ DAY OF AUGUST, 2026.

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Port Authority of Guam

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Port Authority of Guam

PORT OF GUAM

Resolution No. 2026-09

RELATIVE TO SUPPORTING THE GENERAL MANAGER'S OPERATIONAL POLICY GOVERNING THE USE AND ALLOCATION OF CARGO HANDLING AND SUPPORT RESOURCES DURING EMERGENCY, RECOVERY, AND CONSTRAINED OPERATIONS, INCLUDING THE USE OF VESSEL SHIP'S GEAR, PRIVATELY OWNED CARGO HANDLING EQUIPMENT AND PERSONNEL, AND REQUIRED FIRE SUPPRESSION AND MITIGATION RESOURCES, AND AUTHORIZING COMPENSATION FOR SUCH USE AND SERVICES.

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

WHEREAS, the Port Authority of Guam operates Guam's only commercial seaport and is responsible for maintaining the safe, efficient, and continuous movement of cargo necessary to support Guam, the Commonwealth of the Northern Mariana Islands, neighboring islands, military requirements, and the regional supply chain; and

WHEREAS, the Port's ability to maintain cargo operations may periodically be affected by typhoons, equipment failures, emergency conditions, recovery operations, terminal congestion, workforce availability, or other circumstances that temporarily constrain the availability of Port cargo handling equipment and operational resources; and

WHEREAS, during such periods, Port management must make real time operational decisions regarding the deployment of available ship to shore gantry cranes, cargo handling equipment, personnel, berths, and other resources in order to maintain cargo movement across the terminal; and

WHEREAS, the General Manager serves as the chief executive officer of the Port Authority of Guam and is responsible for the maintenance, operation, and development of the Port administration and for the Authority's business affairs; and

WHEREAS, during the Port's recovery from Super Typhoon Bavi, the Port experienced significant constraints in the availability of its ship to shore gantry cranes and other cargo handling resources while continuing to serve vessels, move essential cargo, and support the recovery needs of Guam, the Commonwealth of the Northern Mariana Islands, neighboring islands, and the region; and

WHEREAS, certain vessels calling upon the Port are equipped with their own cargo handling equipment, commonly referred to as vessel ship's gear, which may provide an alternative means of continuing cargo operations when Port ship to shore gantry crane capacity is limited or unavailable; and

WHEREAS, the availability and operational capability of vessel ship's gear is a legitimate operational consideration when determining how the Port's limited cargo handling resources may best be deployed to maintain cargo movement throughout the terminal; and

WHEREAS, the availability of vessel ship's gear should not, by itself, result in a carrier receiving lower priority or less favorable treatment in the allocation of the Port's ship to shore gantry cranes, but should instead be considered together with all relevant operational circumstances affecting the terminal as a whole; and

WHEREAS, when a vessel is capable of safely continuing cargo operations using its own ship's gear, circumstances may warrant deploying an available Port ship to shore gantry crane to another vessel that would otherwise remain idle, when doing so will improve overall terminal operations, reduce congestion, facilitate the movement of critical cargo, or otherwise protect the continuity of Guam's supply chain and the movement of cargo to neighboring islands; and

WHEREAS, the allocation of the Port's ship to shore gantry cranes and other cargo handling equipment should not be determined solely by vessel arrival time or berthing sequence, but through an assessment of the overall operational requirements of the Port and the conditions affecting the terminal at the time; and

WHEREAS, relevant considerations may include vessel capabilities, availability of ship's gear, condition and availability of Port equipment, manpower, berth utilization, terminal congestion, cargo volumes and characteristics, vessel schedules, safety requirements, emergency conditions, critical or time sensitive cargo, military requirements, and impacts to Guam, the Commonwealth of the Northern Mariana Islands, neighboring islands, and the regional supply chain; and

WHEREAS, decisions regarding the assignment and deployment of cargo handling equipment are operational management decisions that frequently require immediate assessment of changing terminal conditions and are appropriately exercised by the General Manager or the General Manager's authorized designee; and

WHEREAS, the General Manager has established an operational policy under which the use of vessel ship's gear may be authorized or directed when Port ship to shore gantry crane capacity is unavailable, constrained, or must be deployed elsewhere in furtherance of overall terminal operations; and

WHEREAS, when the General Manager or an authorized designee authorizes or directs a vessel to utilize its own ship's gear under such circumstances, the Board finds it reasonable and appropriate for the Port to compensate the carrier for the authorized use of such equipment; and

WHEREAS, during the Port's recovery from Super Typhoon Bavi, operational circumstances also required the establishment of temporary cargo handling operations at H Wharf to facilitate the continued movement of critical cargo and support recovery operations affecting Guam and neighboring islands; and

WHEREAS, in establishing and operating temporary cargo handling operations at H Wharf, the Port utilized cargo handling equipment owned by a Port tenant, together with the services of the tenant's qualified crane operator, because such resources were necessary to accomplish cargo operations that could not otherwise be efficiently performed with available Port equipment and personnel; and

WHEREAS, emergency, recovery, or other constrained operational conditions may require the Port to utilize privately owned cargo handling equipment, specialized equipment, operators, or related services available within Port facilities when doing so is necessary to maintain cargo movement, reduce congestion, support emergency response or recovery activities, or protect the continuity of Guam's supply chain and its connection to neighboring islands; and

WHEREAS, when the General Manager determines that the use of such privately owned equipment or personnel is operationally necessary and authorizes or directs such use on behalf of the Port, the Board finds it reasonable and appropriate for the owner or provider to be compensated for the equipment and services furnished; and

WHEREAS, the temporary cargo handling operations conducted at H Wharf during the Port's recovery from Super Typhoon Bavi also required the presence of standby fire protection personnel and equipment as a condition imposed by the United States Coast Guard for the cargo handling activity to be permitted; and

WHEREAS, to satisfy this requirement, the Guam Fire Department provided a standby fire engine and firefighters in direct support of the temporary cargo handling operations at H Wharf; and

WHEREAS, the presence of the Guam Fire Department's personnel and equipment was necessary for the Port to conduct the cargo handling activity in compliance with the United States Coast Guard's operational safety requirements; and

WHEREAS, the Guam Fire Department maintains an established fee schedule for such standby personnel, equipment, and related services, and the Board finds it appropriate to compensate the Guam Fire Department in accordance with that fee schedule for services required to support Port operations; and

WHEREAS, future emergency, recovery, or constrained operations may similarly require the Port to obtain fire suppression and mitigation personnel, equipment, or services from the Guam Fire Department or another Government of Guam agency as a condition imposed by the United States Coast Guard or another regulatory authority; and

WHEREAS, the General Manager is responsible for approving demands for payment of obligations of the Authority within the purposes and amounts authorized by the Board, and the Board therefore finds it appropriate to establish through this Resolution the purposes and compensation framework applicable to the expenditures described herein; and

WHEREAS, a clearly stated operational policy governing the use, allocation, documentation, and compensation of cargo handling and support resources promotes consistency, transparency, equitable treatment, accountability, operational readiness, and continuity of the Port's essential mission; now, therefore, be it

RESOLVED, that the Board of Directors supports and memorializes the General Manager's operational policy that the allocation of Port cargo handling equipment and operational resources shall be based upon the operational requirements of the terminal as a whole, with the objective of maintaining the safe, efficient, and continuous movement of cargo through the Port; and be it further

RESOLVED, that the Board supports the General Manager's determination that the availability and operational capability of vessel ship's gear may be considered as one factor in determining the allocation of Port cargo handling equipment and resources, together with all other relevant operational circumstances; and be it further

RESOLVED, that the availability of vessel ship's gear shall not, by itself, result in a carrier receiving lower priority or less favorable treatment in the allocation of the Port's ship to shore gantry cranes, and no single operational factor shall automatically control the allocation of such equipment; and be it further

RESOLVED, that where a vessel is capable of safely continuing cargo operations using its own ship's gear, the Board supports the General Manager's operational discretion to deploy available Port cargo handling equipment to another vessel when reasonably determined to improve overall terminal operations, reduce congestion, prevent another vessel from remaining idle, facilitate the movement of critical cargo, or otherwise protect the continuity of the Port, Guam's supply chain, and cargo movement to neighboring islands; and be it further

RESOLVED, that no carrier or vessel shall have an entitlement to the exclusive or uninterrupted use of any particular Port cargo handling equipment, and the assignment of such equipment remains subject to the operational requirements of the Port; and be it further

RESOLVED, that the use of vessel ship's gear under this policy must be expressly authorized or directed by the General Manager, or by an authorized designee acting under the General Manager's authority, based upon operational conditions at the Port; and be it further

RESOLVED, that when the General Manager or an authorized designee authorizes or directs the use of vessel ship's gear because Port ship to shore gantry crane capacity is unavailable, constrained, or is being deployed elsewhere in furtherance of overall terminal operations, the Board hereby authorizes payment by the Port to the carrier for such authorized use at a rate equal to fifty percent (50%) of the established tariff rate for the use of the Port's ship to shore gantry cranes for every hour that the use of vessel ship's gear is authorized by the General Manager or an authorized designee; and be it further

RESOLVED, that payment under this policy shall apply only to the actual period of authorized use and shall be based upon the verified hours during which vessel ship's gear is utilized pursuant to such authorization or direction; and be it further

RESOLVED, that any use of vessel ship's gear initiated independently by a carrier without authorization or direction from the General Manager or an authorized designee shall not qualify for payment or compensation under this policy; and be it further

RESOLVED, that qualifying hours of authorized vessel ship's gear use shall be documented and verified by the Operations Division and transmitted to the Finance Division for verification and processing, subject to final approval of the demand for payment by the General Manager in accordance with applicable law and Port procedures; and be it further

RESOLVED, that this ship's gear compensation policy shall apply to qualifying use authorized by the General Manager during the Port's recovery operations associated with Super Typhoon Bavi, including qualifying vessel operations occurring before the adoption of this Resolution; provided, however, that retroactive eligibility under this policy shall not extend to any qualifying use occurring before the beginning of Fiscal Year 2026; and be it further

RESOLVED, that following adoption of this Resolution, the General Manager's ship's gear policy shall continue to apply prospectively whenever the General Manager determines that operational conditions warrant the authorized use of vessel ship's gear because Port ship to shore gantry crane capacity is unavailable, constrained, or being deployed elsewhere in furtherance of overall terminal operations; and be it further

RESOLVED, that the Board further supports the General Manager's operational policy to utilize cargo handling equipment, specialized equipment, operators, or related services owned or provided by a Port tenant or other third party when the General Manager determines that such use is necessary to address emergency, recovery, equipment constrained, or other extraordinary operational conditions and to maintain or facilitate Port operations; and be it further

RESOLVED, that only the use of privately owned equipment, operators, or related services expressly authorized or directed by the General Manager, or by an authorized designee acting under the General Manager's authority, shall qualify for compensation by the Port under this policy; and be it further

RESOLVED, that when such use is authorized or directed, the Board hereby authorizes compensation to the owner or provider for the reasonable and documented value of the equipment, operator, and related services actually furnished, based upon an established contractual rate, published rate, comparable commercial rate, documented actual cost, or other reasonable basis reviewed and verified by the Finance Division and approved for payment by the General Manager; and be it further

RESOLVED, that this policy shall apply to qualifying equipment and services utilized in connection with the temporary cargo handling operations conducted at H Wharf during the Port's recovery from Super Typhoon Bavi, as well as other qualifying uses occurring during Fiscal Year 2026 before the adoption of this Resolution, provided that the General Manager determines that such use was necessary for Port operations and the equipment, services, hours, and associated costs can be adequately documented and verified; and be it further

RESOLVED, that the General Manager's policy governing the use and compensation of privately owned cargo handling resources shall continue prospectively following adoption of this Resolution whenever the General Manager determines that operational circumstances warrant their use to maintain the safe, efficient, and continuous operation of the Port and support cargo movement to neighboring islands; and be it further

RESOLVED, that the Board hereby authorizes compensation to the Guam Fire Department for the standby fire engine, firefighters, and related fire suppression and mitigation services provided in support of the temporary cargo handling operations conducted at H Wharf during the Port's recovery from Super Typhoon Bavi, in accordance with the Guam Fire Department's applicable fee schedule and upon verification of the personnel, equipment, hours, and services provided; and be it further

RESOLVED, that the Board further authorizes compensation prospectively to the Guam Fire Department, or another Government of Guam agency providing required fire suppression and mitigation resources, in accordance with its established fee schedule or other applicable charges when the General Manager determines that such personnel, equipment, or services are required by the United States Coast Guard or another regulatory authority as a condition for the conduct of Port cargo handling or related operational activities; and be it further

RESOLVED, that the appropriate Port division shall document the operational requirement and the fire suppression and mitigation personnel, equipment, hours, and services provided, and the Finance Division shall verify and process the corresponding payment, subject to approval of the demand for payment by the General Manager in accordance with applicable law and Port procedures; and be it further

RESOLVED, that the Operations Division shall document and certify the equipment, personnel, hours of use, operational purpose, and circumstances supporting each qualifying use of privately owned cargo handling resources, and the Finance Division shall review and verify the appropriate compensation prior to submission to the General Manager for approval of payment; and be it further

RESOLVED, that nothing herein shall provide compensation for privately owned equipment or services voluntarily provided or utilized without authorization from the General Manager or an authorized designee, nor shall such use create any continuing obligation, preferred status, or entitlement to future work or compensation; and be it further

RESOLVED, that the Board supports the General Manager's establishment, approval, and implementation of operational procedures consistent with this policy, including procedures governing the assignment and deployment of Port cargo handling equipment, use of vessel ship's gear, use of privately owned equipment and personnel, use of required fire suppression and mitigation resources, documentation of operational decisions, carrier, tenant, and agency notification and coordination, verification of qualifying hours, and administration of payments authorized by this Resolution; and be it further

RESOLVED, that such operational procedures shall preserve the ability of the General Manager and designated operational personnel to respond in real time to changing terminal conditions and shall not be interpreted to establish a rigid vessel priority, equipment allocation, or resource deployment system that could impair the safe and efficient operation of the Port; and be it further

RESOLVED, that Port management shall make reasonable efforts to communicate material changes in equipment or resource assignments and their operational basis to affected carriers, tenants, agencies, or other parties as soon as practicable, recognizing that emergency or rapidly changing operational conditions may require immediate action; and be it further

RESOLVED, that the guiding principle in implementing this policy shall be the Port Authority of Guam's responsibility to exercise operational judgment fairly and reasonably while protecting the safe, efficient, and continuous operation of the Port, the integrity of Guam's supply chain, and the movement of essential cargo to the Commonwealth of the Northern Mariana Islands and neighboring islands; and be it further

RESOLVED, that the Board supports the General Manager taking such administrative and operational actions as may be necessary and appropriate to implement and maintain the operational policies memorialized in this Resolution and authorizes the expenditure of Port funds for the purposes and compensation provided herein, subject to verification and approval of individual demands for payment in accordance with applicable law and Port procedures; 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 AUGUST, 2026.

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Port Authority of Guam

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Port Authority of Guam

Resolution No. 2026-10

RELATIVE TO ACKNOWLEDGING MOODY'S RATINGS' AUGUST 6, 2026 RATING ACTION CONCERNING THE PORT AUTHORITY OF GUAM AND TRANSMITTING THIS RESOLUTION TO THE GUAM PUBLIC UTILITIES COMMISSION IN CONNECTION WITH PORT DOCKET 25-03.

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

WHEREAS, the Board of Directors serves as the governing body of the Port Authority of Guam and exercises the powers and responsibilities vested in it by law; and

WHEREAS, on July 7, 2025, the Port Authority of Guam filed a tariff petition with the Guam Public Utilities Commission in Port Docket 25-03 seeking targeted revisions to certain labor and equipment tariff rates that had remained unchanged since October 1, 2020; and

WHEREAS, in connection with Port Docket 25-03, the Guam Public Utilities Commission retained an independent consultant to evaluate the Port's tariff petition and provide findings and recommendations to the Commission; and

WHEREAS, on December 30, 2025, the Board of Directors adopted Resolution No. 2025-42 acknowledging the findings and recommendations of the Commission's independent consultant; and

WHEREAS, Port Docket 25-03 remains pending before the Guam Public Utilities Commission; and

WHEREAS, on August 6, 2026, Moody's Ratings issued its Rating Action entitled Moody's Ratings affirms Port Authority of Guam revenue bond ratings; outlook stable, affirming the Port Authority of Guam's Baa2 senior lien revenue bond rating with a Stable Outlook; and

WHEREAS, Moody's Ratings noted that the Port and the Guam Public Utilities Commission are expected to work toward implementation of a rate adjustment to realign revenues with higher operating costs and lower container throughput revenues experienced in recent years; and

WHEREAS, Moody's Ratings further noted that the tariff adjustment triggers established under the Port's existing tariff framework have been met for several years, contributing to narrowing operating margins and the under recovery of certain labor costs; and

WHEREAS, Moody's Ratings further noted that one-time revenues and recent cargo volume growth have supported the Port's financial performance but have not sustainably realigned revenues, and concluded that additional revenue measures are expected to improve the Port's financial position over the coming years; and

WHEREAS, Moody's Ratings further noted that implementation of a revenue increase remains subject to approval by the Guam Public Utilities Commission, recognized that the Commission's independent consultant endorsed the Port's tariff petition and recommended additional revenue measures, and observed the Commission's history of supporting Port rate requests; and

WHEREAS, Moody's Ratings stated that its Stable Outlook reflects its expectation that healthy volume trends and solid liquidity will support the Port's financial position and that additional revenue measures could be realized as early as Fiscal Year 2027; and

WHEREAS, the Board of Directors has reviewed Moody's August 6, 2026 Rating Action and finds that the information contained therein is relevant to the matters presently pending before the Guam Public Utilities Commission in Port Docket 25-03;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors acknowledges the findings contained in Moody's Ratings' August 6, 2026 Rating Action; and

BE IT FURTHER RESOLVED, that the Board further acknowledges the findings and recommendations of the Guam Public Utilities Commission's independent consultant previously recognized by the Board through Resolution No. 2025-42; and

BE IT FURTHER RESOLVED, that the General Manager is directed to transmit a certified copy of this Resolution to the Guam Public Utilities Commission for inclusion in Port Docket 25-03 so that the Commission is advised that the Board has reviewed Moody's August 6, 2026 Rating Action and considers the information contained therein relevant to the matters remaining pending before the Commission; and

BE IT FURTHER RESOLVED, that nothing contained in this Resolution shall be construed as requesting or recommending any particular disposition of Port Docket 25-03, the determination of which remains solely within the jurisdiction of the Guam Public Utilities Commission; 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 AUGUST, 2026.

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Port Authority of Guam	Port Authority of Guam

Resolution No. 2026-11

RELATIVE TO AUTHORIZING THE GENERAL MANAGER TO PURCHASE TWO VEHICLES FOR THE PORT AUTHORITY OF GUAM THROUGH AN EXISTING GOVERNMENT OF GUAM GENERAL SERVICES AGENCY CONTRACT.

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

WHEREAS, the Port Authority of Guam is responsible for the operation, maintenance, security, administration, and continued readiness of Guam's only commercial seaport, requiring Port personnel to perform duties throughout the Port's facilities and, when necessary, at locations throughout Guam; and

WHEREAS, reliable vehicles are necessary to support the Port's daily operational, administrative, security, maintenance, inspection, emergency response, and other official requirements; and

WHEREAS, as part of the development of the Port Authority of Guam's Fiscal Year 2027 budget, management has identified the need to acquire two vehicles to support the Port's operational and administrative requirements; and

WHEREAS, the Government of Guam currently has an existing Indefinite Delivery, Indefinite Quantity contract through the General Services Agency under which vehicles meeting the Port's requirements are available for purchase; and

WHEREAS, the existing contract provides the Port with immediately known variables for both price and delivery, allowing the Port to determine the cost and anticipated delivery period before committing funds to the acquisition; and

WHEREAS, GSA Contract No. GSA-017-26 reflects a unit price of Twenty-Four Thousand Nine Hundred Ninety-Five Dollars ($24,995.00) for a 2026 Mitsubishi Outlander Sport AWD, with a stated delivery period of 120 days; and

WHEREAS, based upon the current contract price, the acquisition of two vehicles would have a total purchase price of Forty-Nine Thousand Nine Hundred Ninety Dollars ($49,990.00); and

WHEREAS, although the acquisition of these vehicles has been identified as a Fiscal Year 2027 budget requirement, the Board recognizes that delaying the procurement until Fiscal Year 2027 could expose the Port to changes in vehicle availability, pricing, contract terms, or delivery schedules that are presently known and available under the existing contract; and

WHEREAS, proceeding with the acquisition now provides greater certainty regarding both cost and delivery and avoids unnecessarily deferring an identified operational requirement when an existing Government of Guam procurement mechanism is presently available; and

WHEREAS, the Board finds that, subject to the availability and lawful use of funds, it is prudent and in the best interest of the Port to proceed with the acquisition while the existing IDIQ contract remains available and the price and delivery terms are known, rather than defer the acquisition and assume the risk of less favorable or uncertain conditions at a later date; and

WHEREAS, the Board further finds that proceeding with the acquisition at this time represents responsible fiscal planning and stewardship by addressing an identified Fiscal Year 2027 requirement under presently available procurement terms while providing certainty regarding the cost and timing of the acquisition;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Port Authority of Guam hereby approves and authorizes the General Manager to proceed with the acquisition of two vehicles for official Port Authority of Guam use under the existing Government of Guam General Services Agency IDIQ contract, at a total cost not to exceed Forty-Nine Thousand Nine Hundred Ninety Dollars ($49,990.00), subject to the availability and lawful use of funds and compliance with applicable procurement laws, regulations, and Port policies; and be it further

RESOLVED, that the Board finds that proceeding with the acquisition at this time, rather than waiting until Fiscal Year 2027, is fiscally prudent because the requirement has already been identified for Fiscal Year 2027 and the existing procurement mechanism provides presently known pricing and delivery terms that may not remain available if the acquisition is deferred; and be it further

RESOLVED, that the General Manager is authorized to determine the appropriate assignment and use of the vehicles based upon the operational and administrative requirements of the Port and to execute all documents and take all actions necessary to complete the acquisition; and be it further

RESOLVED, that the General Manager shall ensure that the vehicles are incorporated into the Port Authority of Guam's property and fleet management systems and are maintained, assigned, and utilized solely for authorized governmental purposes in accordance with applicable Port policies; and be it further

RESOLVED, that the Board finds that this acquisition supports the Port's continuing responsibility to maintain operational readiness, provide employees with the resources necessary to carry out their responsibilities, and exercise responsible stewardship over Port resources.

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 AUGUST, 2026.

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Port Authority of Guam

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Port Authority of Guam

Resolution No. 2026-12

RELATIVE TO COMMENDING PORT AUTHORITY GENERAL MANAGER RORY J. RESPICIO FOR RECEIVING THE 2025–2026 PROFESSOR JOHN M. PHILLIPS EXCELLENCE IN GOVERNMENT ACCOUNTABILITY AWARD AND FOR HIS CONTINUING LEADERSHIP IN BUILDING A CULTURE OF ACCOUNTABILITY, FINANCIAL EXCELLENCE, CONTINUOUS IMPROVEMENT, AND OPERATIONAL RESILIENCE.

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

WHEREAS, the Port Authority of Guam is Guam's only commercial seaport and serves as the island's critical gateway for more than ninety percent (90%) of all imported goods, making sound financial management, operational excellence, and public accountability essential to serving the people of Guam and supporting the island's economy and our neighboring islands throughout Micronesia; and

WHEREAS, under the leadership of General Manager Rory J. Respicio, and through the dedication of the Board of Directors, management, and employees, the Port Authority of Guam has experienced a period of significant financial, operational, and organizational transformation marked by improved fiscal stability, enhanced transparency, strengthened internal controls, and strategic modernization; and

WHEREAS, since Mr. Respicio assumed the position of General Manager in 2019, the Port Authority of Guam has achieved sustained financial improvement through stronger liquidity, improved financial reporting, enhanced bondholder confidence, and a renewed focus on long-term financial stability; and

WHEREAS, during Mr. Respicio's tenure as General Manager, the Port Authority of Guam has consistently received unmodified (clean) independent audit opinions on its financial statements and major federal programs, with no material weaknesses or significant deficiencies reported, demonstrating a strong commitment to financial accountability, transparency, and stewardship; and

WHEREAS, the Port has earned national and local recognition for excellence in government financial reporting, transparency, and accountability, including repeated Citizen-Centric Reporting Awards and other recognitions that reflect the dedication of the Port's Board, management, and employees; and

WHEREAS, General Manager Respicio provides leadership in advancing responsible fiscal management, strategic debt planning, implementation of the Oracle JD Edwards EnterpriseOne Financial Management System, modernization of financial operations, and the pursuit of transformational federal investments that will benefit Guam for generations; and

WHEREAS, during Mr. Respicio's tenure as General Manager, the Port Authority of Guam, through the collaborative efforts of Governor Lourdes A. Leon Guerrero, Lieutenant Governor Joshua F. Tenorio, Congressman James C. Moylan, the Port's Board of Directors, together with its management, employees, and federal partners, secured approximately $59.6 million through the United States Maritime Administration's Port Infrastructure Development Program for the acquisition of three new ship to shore gantry cranes, representing one of the largest federal infrastructure grants ever awarded to the Port and significantly strengthening Guam's supply chain resilience and supporting national defense readiness in the Indo-Pacific; and

WHEREAS, General Manager Respicio has emphasized institutional governance by strengthening organizational accountability, modernizing administrative systems, improving strategic planning, and fostering a culture of continuous improvement that supports the Port's long-term strategic mission; and

WHEREAS, these accomplishments reflect the Board of Directors' strategic leadership and commitment to sound governance, together with the dedicated efforts of management and employees in advancing the Port's mission; and

WHEREAS, under General Manager Respicio's leadership, the Port Authority of Guam has strengthened collaboration with the Port Users Group, government agencies, the U.S. Coast Guard, tenants, labor organizations, and the broader maritime community through open communication, transparency, and a shared commitment to continuous improvement, operational excellence, and responsive public service; and

WHEREAS, the Association of Government Accountants (AGA) Guam Chapter has selected Rory J. Respicio as the recipient of the 2025–2026 Professor John M. Phillips Excellence in Government Accountability Award, one of Guam's highest recognitions for government professionals, honoring individuals who have consistently demonstrated exceptional leadership, integrity, accountability, financial stewardship, and dedication to public service throughout their careers; and

WHEREAS, this prestigious award reflects not only Mr. Respicio's personal commitment to excellence but also recognizes the collective efforts of the Port Authority of Guam's Board of Directors, management team, and employees in advancing sound government accountability and public trust; and

WHEREAS, this recognition celebrates achievements realized during Mr. Respicio's continuing service as General Manager and affirms the Board's confidence in the Port's continued progress under his leadership; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Port Authority of Guam hereby extends its highest congratulations and appreciation to General Manager Rory J. Respicio for being named the recipient of the 2025–2026 Professor John M. Phillips Excellence in Government Accountability Award; and

BE IT FURTHER RESOLVED, that the Board recognizes General Manager Respicio's leadership in building and sustaining a culture of financial excellence, accountability, and continuous improvement that has enabled, and will continue to enable, the Port Authority of Guam to achieve sustained financial excellence, consecutive clean audits, and strengthened operational resilience; and

BE IT FURTHER RESOLVED, that the Board expresses its sincere appreciation for Mr. Respicio's vision, integrity, dedication to public service, and steadfast commitment to ensuring that the Port Authority of Guam remains financially sound, operationally resilient, and strategically prepared to serve the people of Guam while supporting commerce, national security, and the economic vitality of the Commonwealth of the Northern Mariana Islands and our neighboring islands throughout Micronesia; and

BE IT FURTHER RESOLVED, that the Chairperson certify to, and the Secretary attest to, the adoption hereof, and that certified copies of this Resolution be transmitted to Governor Lourdes A. Leon Guerrero, Lieutenant Governor Joshua F. Tenorio, Congressman James C. Moylan, the Association of Government Accountants Guam Chapter, and General Manager Rory J. Respicio as an expression of the Board's pride, appreciation, and congratulations on behalf of the Port Authority of Guam.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 31st DAY OF AUGUST, 2026.

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Port Authority of Guam

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Port Authority of Guam

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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

August 3, 2026

MEMORANDUM

To: Board of Directors

From: Rory J. Respicio, General Manager

Subject: Request for Creation of Position - Assistant Personnel Services Administrator

Hafa Adai! Your approval is being requested to authorize management to begin the creation of position for the Assistant Personnel Services Administrator and present the creation package to the Board for approval to begin the transparency process based on the following:

> The Port Authority of Guam has undertaken efforts to modernize not only its infrastructure and operations, but also its governance systems and organizational capacity. A key component of that effort has been strengthening the Human Resources Division through enhanced internal controls, merit-based recruitment practices, regulatory compliance, workforce planning, employee development, succession planning, and the implementation of standardized personnel policies and procedures that promote fairness, accountability, transparency, and organizational integrity.
>
> As these governance initiatives have matured, personnel administration has evolved well beyond traditional transactional human resources functions. Presently, the Human Resources Division serves as a strategic organizational function responsible for safeguarding the integrity of the Port's human capital systems through policy administration, recruitment oversight, classification and compensation, employee relations, training and organizational development, performance management, workforce planning, regulatory compliance, records management, and the preservation of institutional knowledge. These responsibilities are essential to maintaining an effective workforce and advancing the Port's strategic mission.
>
> While the Division has successfully assumed these expanded responsibilities, its organizational structure has not evolved at the same pace. Many critical management, compliance, and strategic functions remain concentrated within a single administrative position, creating operational and institutional strain. The current structure limits management capacity, impacts organizational resilience during periods of leave, vacancies, and leadership transitions, and increases dependence on a single individual to administer critical personnel functions.

The creation of an Assistant Personnel Services Administrator represents more than the creation of an additional management position. It is a strategic investment in the Port's institutional capacity that will help ensure the personnel governance and reforms are well implemented. The position will also provide the additional leadership necessary to support the daily operations of the Human Resources Division while overseeing key human resources functions, including recruitment and selection, classification and compensation, employee relations, policy administration, performance management, training and development, regulatory compliance, workforce planning, and special personnel initiatives. It will strengthen management oversight, support succession planning, preserve institutional knowledge, and improve operational continuity across the Division.

The creation of this position will:

- Institutionalize the governance reforms implemented within the Human Resources Division by ensuring that critical personnel systems, policies, procedures, and internal controls become enduring organizational practices.
- Strengthen internal controls, management oversight, accountability, and recruitment integrity throughout personnel operations.
- Enhance compliance with the Port's Personnel Rules and Regulations, applicable employment laws, and merit system principles.
- Reduce organizational, legal, regulatory, and audit risk through strengthened oversight and the consistent administration of personnel programs.
- Preserve institutional knowledge and ensure the consistent application of personnel policies and procedures.
- Improve operational continuity and organizational resilience during periods of leave, vacancies, emergencies, and leadership transitions.
- Expand the Division's leadership capacity to support strategic workforce planning, organizational development, succession planning, and executive management initiatives.
- Increase the Division's capacity to administer increasingly complex human resources programs, regulatory requirements, and strategic workforce initiatives while preparing the organization for future workforce needs.
- Support the Port's continued modernization by aligning the Human Resources Division with the Port's broader governance and organizational improvement initiatives.

The creation of this position reflects the Port's continued commitment to building a modern, resilient, and accountable public institution. As the Port continues to modernize its infrastructure, operations, and governance systems, it is equally important that its organizational structure evolves to support those investments.

> Strengthening the Human Resources Division will ensure that the systems, safeguards, and organizational practices developed over the past several years continue to serve the Port Authority of Guam well into the future.

In light of the above, your approval is hereby requested to authorize management to proceed with the creation for the position of an Assistant Personnel Services Administrator in the classified service.

Your approval is greatly appreciated. I am available for any questions you may have.

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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

August 26, 2026

MEMORANDUM

To: Rory J. Respicio, General Manager

From: Conchita S.N. Taitano, Acting Chairperson

Subject: Annual Evaluation Review, 2025 Performance Period

Buenas yan Hafa Adai! Pursuant to 5 GCA § 43202 and Port Authority of Guam Board Policy Memorandum No. 2009-03, I am writing to provide my assessment of your performance as General Manager of the Port Authority of Guam for the 2025 performance period, covering January 2, 2025, through January 1, 2026. This evaluation is based on the performance objectives established for the year, Look Ahead 2025, the 2025 Mid-Year and Final Year management reviews, the General Manager Evaluation Report, and the Port's financial, operational, capital, personnel, and administrative record for the evaluation period.

Based on this record and the standards established in the General Manager performance evaluation instrument, your overall rating for the 2025 performance period is Exceptional Performance.

This period marked another important stage in the Port's development. Building on the financial recovery and operational resilience established in prior years, the Port continued its modernization with greater focus on infrastructure, equipment reliability, workforce capacity, financial sustainability, institutional governance, resilience, and long term readiness. The Port's 50th anniversary also provided an opportunity to recognize how far the institution has come while focusing on what will be required for its next 50 years.

Operational Achievements and Modernization

Under your leadership, the Port continued significant infrastructure and equipment modernization while maintaining its responsibility as Guam's only commercial seaport. The $5.7 million Guam Marine Transportation Enhancement Initiative expanded cargo handling capacity through nine new container yard tractors, loaded and empty container handlers, and other specialized equipment.

The Port also advanced major capital priorities involving wharves, fuel infrastructure, facilities, security, resilience, and cargo handling capacity. Technical planning, federal coordination, and funding development continued for replacement of the Port's aging ship to shore gantry cranes.

A February 2025 waiver from the U.S. Maritime Administration under the Build America, Buy America Act, applicable to gantry crane procurement in U.S. Pacific territories, removed a significant procurement barrier. Building on this progress, the Port submitted an application in

September 2025 to the federal Port Infrastructure Development Program requesting $75 million in funding for three new ship to shore gantry cranes and related infrastructure improvements.

The Ship to Shore Crane Demolition and Barge Removal Project also reached 90 percent completion during 2025, clearing the site for installation of the Port's replacement cranes.

At the same time, aging cargo handling equipment remained an operational vulnerability. The evaluation appropriately recognizes that modernization requires not only acquisition of new equipment, but stronger preventive maintenance, asset management, equipment availability, and long term replacement planning.

Financial Stewardship and Institutional Credibility

Financial stewardship remained a significant strength during the 2025 performance period. The Port maintained its clean audit record, Low Risk Auditee status, and investment grade credit standing while continuing a substantial capital modernization program.

Management also strengthened attention to revenue integrity, billing, tariff application, collections, internal controls, and revenues properly due to the Port. Operating requirements, debt capacity, federal funding, and capital investment were increasingly considered as parts of a coordinated financial strategy.

The continued use of federal funding to support major infrastructure, equipment, sustainability, security, and resilience investments also reduced the extent to which modernization must be financed solely through Port revenues and ultimately borne by Port users.

During the 2025 performance period, management also took targeted action to correct structural and outdated elements of the Port's revenue and financing framework. In July 2025, the Port filed a tariff petition with the Guam Public Utilities Commission to correct vessel labor and equipment billing rates that had not been adjusted since October 2020, supported by sworn management testimony, independent consultant analysis, and formal Board approval. The Port also adopted a new lease rate schedule in July 2025 based on updated appraisal valuations, projected to increase annual lease revenue by approximately 20 percent, and secured a four year, $10.6 million lease covering more than 374,000 square feet of Port property at Hotel Wharf. In June 2025, the Port executed a $3.0 million cash defeasance to correct a structural limitation in the 2018 bond indenture that had excluded certain recurring revenues from the debt service coverage calculation, preserving covenant compliance while continuing to reduce outstanding debt.

The Port's Fiscal Year 2025 Single Audit further affirmed this discipline, yielding an unmodified compliance opinion, no findings or material weaknesses in internal control over financial reporting or federal compliance, and reconfirmed Low-Risk Auditee status, while the Port administered $4.26 million in federal awards across five federal agencies, led by $2.7 million in U.S. Department of Transportation Marine Highway Grant funding.

S&P Global Ratings also reaffirmed the Port's "A" bond rating with a stable outlook during the 2025 performance period, an independent affirmation of fiscal discipline alongside the Port's Baa2 Moody's rating. Separately, the Port implemented a Lease Credit Offset Program with Black Construction Corporation under Public Law 38-26 and Board Resolution No. 2025-23, approving an initial $1 million tenant-funded infrastructure credit under the Glass Breakwater Project to cover eligible improvements at H-Wharf, the Old Hawaiian Rock site, the easement to Family Beach, and the Port Marinas, including a paved access road and new restroom and shower facilities at Family Beach and solar lighting where required, without direct expenditure of Port operating funds.

Infrastructure, Resilience and National Readiness

The Port continued strengthening its role as critical civilian infrastructure supporting Guam's economy, supply chain, energy security, military readiness, and national defense.

A significant achievement was securing $4.8 million in Defense Community Infrastructure Program funding toward the $6.9 million restoration of F1 Pier. Following the loss of Golf Pier, F1 Pier became Guam's sole operational fuel import terminal, making its reliability essential to both Guam's civilian fuel supply and military readiness.

By this period, the Port had advanced approximately $141.8 million in completed, ongoing, and approved capital improvements over roughly five to six years. This represents a substantial institutional commitment to addressing aging infrastructure and preparing the Port for increasing commercial and strategic requirements.

The Port also strengthened its national readiness posture through direct engagement with defense and federal partners. In September 2025, Port management served as a panelist at the Guam Defense Forum alongside senior Department of Defense and industry leaders, including the Commander of Defense Logistics Agency Pacific, addressing Guam's defense supply chain and logistics ecosystem. In October 2025, the Port hosted the Maritime Resilience and Innovation Summit, convening government leaders, maritime experts, and regional stakeholders to advance the Port's resilience and modernization agenda. The Port also submitted testimony to the Guam Legislature in support of Bill No. 183-38, extending the timeline for completion of the Customs Satellite Inspection Facility, a project the Port has supported since 2018 by securing the site and incorporating it into the Port Master Plan.

Federal support for national readiness also included $510,485 in Department of Defense Office of Economic Adjustment funding for military installation growth and $105,664 in Department of Homeland Security Port Security Grant Program funding during Fiscal Year 2025. Port Police separately submitted a new 2025 Port Security Grant application seeking to fortify all Port entry and exit points with security bollards and drop arms.

The October 2025 Summit convened more than 130 leaders from 42 organizations across government, military, academia, and industry as part of the Port's 50th Anniversary and Port Week 2025 programming, and concluded with the signing of a five-year Sister Ports Agreement between the Port of Guam and the Port of Long Beach covering trade development, infrastructure development, city port relations, environmental sustainability, and technology. The Port's Disaster Preparedness Plan and Typhoon Annex were also validated through federal compliance exercises during 2025, with quarterly scenario-based emergency trainings now institutionalized.

Workforce Development and Governance

The 2025 performance period also reflected increased attention to institutional governance and workforce development. The Out of Position Detail and Desk Audit policies established more structured and documented processes for employee assignments, duties, and classifications. Additional recruitment safeguards strengthened fairness, objectivity, documentation, and accountability in personnel administration.

Succession planning, mentorship, cross training, technical development, and professional advancement continued as important priorities. These efforts recognize that infrastructure and equipment modernization cannot succeed without corresponding investment in the employees responsible for operating, maintaining, managing, and eventually leading the institution.

The Mid-Year and Final Year management reviews were also used to measure performance, identify deficiencies, establish corrective expectations, and carry unresolved priorities forward. This represents an important evolution in management accountability because the process assesses not only what was accomplished, but also what remains unfinished and why.

During 2025, the General Manager also issued a comprehensive Workplace Violence Policy, adopted by the Board as Board Policy Memorandum No. 2025-01, establishing clear standards of professional conduct applicable at every level of the organization, including the General Manager. A June 2025 clarifying memorandum grounded the policy's scope in Guam Supreme Court precedent, reinforcing its enforceability.

Sustainability and Environmental Stewardship

The approximately $2.4 million EPA Clean Ports Climate and Air Quality Planning initiative further expanded the Port’s modernization strategy. Sustainability, emissions reduction, energy efficiency, electrification, resilience, workforce development, and environmental stewardship increasingly became integrated with infrastructure and capital planning rather than treated as separate initiatives.

The Port also expanded its emissions reduction fleet in April 2025 with delivery of two additional Tier 4 ultra low sulfur diesel terminal yard tractors under the federal Diesel Emissions Reduction Act program, bringing the Port's low emission tractor fleet to six. The Port was also identified as a collaborating entity in Community First Guam Federal Credit Union’s application under the EPA Environmental and Climate Justice Community Change Grants Program. The proposed partnership included solar photovoltaic development, a microgrid feasibility study, and Route 11 seawall improvements.

The Harbor Master's Office also resolved a long standing navigational and environmental hazard by securing a U.S. EPA Ocean Dumping Permit, in collaboration with the U.S. Navy's Dive and Salvage Team and USNS *Salvor*, for removal of the M/V *Voyager*, safely disposed of 30 nautical miles offshore on October 2, 2025.

Stakeholder Relations and Public Trust

Throughout the 2025 performance period, you maintained productive relationships with the Board of Directors, Governor and Lieutenant Governor, legislative oversight, federal and military partners, employees, Port users, tenants, carriers, and the broader maritime community.

The Port also maintained its commitment to transparency and public accountability, receiving its fourth Certificate of Excellence in Citizen Centric Reporting from the Association of Government Accountants in January 2025.

The Port’s 50th anniversary appropriately recognized the employees, retirees, Port users, government leaders, maritime partners, and community members whose contributions built the institution. More importantly, the anniversary was used to focus attention on the responsibility of preparing the Port for its next 50 years.

Strategic Leadership and Institutional Development

The Look Ahead 2025 framework established an ambitious agenda encompassing infrastructure, operational efficiency, equipment reliability, workforce development, financial sustainability, technology, environmental stewardship, commercial management, and national readiness.

Your completion of both the Maritime Port Manager and Maritime Port Executive professional certifications also demonstrated that the expectation for professional development extends to the General Manager. You became the first General Manager in the Port Authority of Guam’s history to earn both professional certifications.

More broadly, the record reflects an effort to move the Port away from dependence on individual intervention and toward stronger policies, controls, documented processes, and management systems. That institutional transition is important because sustained leadership should be measured not simply by what occurs during one administration, but by whether the organization develops systems capable of enduring beyond it.

Continuing Areas of Attention

The evaluation also identifies areas where continued improvement is necessary. Aging equipment and infrastructure remain significant concerns. Technology modernization remains ongoing. Commercial administration requires stronger lease management, documentation, coordination, and accountability. Management depth and ownership below the General Manager level also require continued development, particularly where matters that should be resolved within the management structure continue to require your direct intervention.

These matters do not diminish the accomplishments of the 2025 performance period. They provide an important measure of the work that remains and should continue to receive management attention in the next evaluation period.

Overall Assessment

The record for the 2025 performance period supports an overall rating of Exceptional Performance. Under your leadership, the Port maintained its financial credibility while advancing one of the most significant periods of infrastructure and equipment modernization in its history, securing substantial federal investment, strengthening institutional governance, investing in its workforce, and reinforcing the Port's role in Guam's economic security and national readiness.

This rating does not suggest that every objective was completed or every institutional challenge resolved. Aging equipment and infrastructure, technology modernization, commercial administration, and management accountability remain areas requiring continued attention. Several of the Port's most significant initiatives are also multiyear efforts whose full results will extend beyond this evaluation period.

What distinguishes the 2025 record is the combination of measurable accomplishment and institutional development. The Port continued moving beyond addressing individual problems toward building policies, controls, partnerships, financial capacity, and management systems intended to sustain progress over time.

As the Port concluded its first 50 years of service, it entered its next 50 years with stronger financial credibility, substantial infrastructure investment underway, an expanding federal and national readiness role, and a clearer institutional framework for continued modernization.

I recognize your leadership and the collective contributions of the Port employees, Board members, government and federal partners, Port users, and stakeholders who contributed to these accomplishments.

Taken as a whole, your performance during the 2025 performance period warrants an overall rating of **Exceptional Performance**. *Si Yu'os Ma'ase!*

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Lourdes A. Leon Guerrero
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GENERAL MANAGER PERFORMANCE AND DEVELOPMENT EVALUATION FORM

Name of General Manager	Rory J. Respicio
Name of Reviewer/Title	Conchita S.N. Taitano, Acting Board Chairperson
Period Covered	January 2, 2025 to January 1, 2026
Date of Review	August 26, 2026
Rating Scale	A Exceptional | B Superior | C Average | D Acceptable | E Needs Improvement

GENERAL INSTRUCTIONS

1. This form is to be used for initial and annual performance evaluation for the General Manager. The performance evaluations are to occur six (6) months into the General Manager's employment with the Port Authority of Guam and every twelve (12) months thereafter.
2. The ratings to be assigned by the Rater for each individual factor are indicated in Part I; for each individual Performance Objective in Part II; and for the Overall Rating in Part III.
3. The Performance Objectives and factors may be weighted at the Rater's discretion.
4. The Reviewer is the Chairperson of the Board of Directors.

PART I: CORE PERFORMANCE FACTORS

Performance Factors and Supportive Information	Rating
1. Leadership 1a. Displays courage, passion and caring in work. 1b. Sets a professional example. 1c. Motivates others to work toward common goals. 1d. Uses authority responsibly. 1e. Addresses problems proactively. 1f. Gains support and seeks support through participation of others. 1g. Demonstrates interest in professional growth of others. 1h. Shows good judgment and accepts ownership for decisions in areas of responsibility.	**A**

Performance Factors and Supportive Information	Rating
Supportive Information: 1a. Displays courage, passion and caring in work: • Demonstrated sustained commitment to the Port's mission by balancing immediate operational responsibilities with long term infrastructure, financial, workforce, sustainability, and strategic priorities. • Maintained a direct leadership approach when significant matters required executive intervention, including issues that should ordinarily have been addressed within the management structure. • Demonstrated commitment to employees and the Port's future through workforce development, succession planning, mentorship, cross training, professional development, and advancement opportunities, while continuing to advance sustainability and resilience initiatives that strengthen the institution over the long term. 1b. Sets a professional example: • Continued setting a high professional standard through accountability, transparency, financial stewardship, regulatory compliance, and measurable performance while leading the Port's continued modernization and maintaining its investment grade credit ratings, clean audit record, and independently delegated procurement authority. • Demonstrated commitment to professional growth by becoming the first Port General Manager to earn both the Maritime Port Manager and Maritime Port Executive certifications through the International Association of Maritime and Port Executives. • Used the CY2025 Midyear and Final Year management reviews to assess accomplishments, identify deficiencies, establish corrective expectations, and hold management accountable for unresolved priorities. 1c. Motivates others to work toward common goals: • Promoted a shared organizational focus on modernization, operational readiness, financial stewardship, accountability, resilience, and the Port's long term future, while encouraging cross divisional collaboration to advance these priorities. • Advanced succession planning, mentorship, cross training, and professional development to strengthen leadership continuity and prepare employees for greater responsibility. • Reinforced a sense of shared accomplishment by recognizing the contributions of employees, managers, government partners, Port users, and other stakeholders, particularly through the Port's 50th anniversary, which honored five decades of collective service while focusing the organization on preparing for its next 50 years. 1d. Uses authority responsibly: • Exercised prudent financial stewardship by balancing significant infrastructure investment with expenditure discipline, revenue integrity, billing controls, tariff review, and responsible debt management, including the strategic pay down of up to $3.07 million in 2018 Revenue Bond debt. • Strengthened personnel governance by initiating the Out of Position Detail and Desk Audit policies and implementing preventive controls including internal pre audits, recruitment safeguards, practical assessments, redacted applications, rotating rating panels, conflict disclosures, and stronger documentation. • Maintained appropriate respect for the respective roles of the Board of Directors and executive management, balancing Board oversight with responsible exercise of management authority.	

Performance Factors and Supportive Information	Rating
1e. Addresses problems proactively: • Shifted the Port from responding to individual deficiencies toward establishing systems that identify risks earlier and prevent recurring problems, including stronger personnel and financial controls. • Proactively addressed long term financial, operational, equipment, and infrastructure risks through debt management, revenue integrity, tariff review, equipment and maintenance planning, crane replacement efforts, and securing $4.8 million toward the restoration of F1 Pier. • Maintained direct executive intervention when necessary while continuing to strengthen management ownership and accountability at the appropriate organizational level. 1f. Gains support and seeks support through participation of others: • Maintained productive relationships with the Board of Directors, Governor and Lieutenant Governor, legislative oversight leadership, Port Users Group of Guam, employees, tenants, maritime stakeholders, federal agencies, military partners, and the broader community, including when perspectives differed from management's position. • Worked constructively within the respective roles of governance, management, and oversight, incorporating Board direction into management objectives while coordinating with territorial leadership and Port stakeholders on infrastructure, resilience, sustainability, economic development, energy security, and other institutional priorities. • Converted governmental and federal relationships into measurable results, including coordination that contributed to securing $4.8 million for the F1 Pier restoration project and continued federal advocacy for replacement of the Port's aging ship to shore cranes, which subsequently contributed to the $59.6 million federal award announced in 2026 for three new cranes. 1g. Demonstrates interest in professional growth of others: • Advanced succession planning, mentorship, cross training, professional certifications, technical training, and competency based development to prepare employees for greater responsibility and strengthen institutional continuity. • Emphasized that Port modernization requires continued investment in the employees and managers responsible for operating, maintaining, and ultimately leading the institution. 1h. Shows good judgment and accepts ownership for decisions in areas of responsibility. • Demonstrated sound judgment and accountability in managing the Port's financial, operational, personnel, and institutional responsibilities, accepting ownership of decisions and taking corrective action when necessary.	
2. Commitment to the Port's Mission, Vision and Values 2a. Articulates or shows appreciation for the importance of shared vision. 2b. Demonstrates civility in relations with others. 2c. Requires supervised employees to show civility in their relations toward others. 2d. Participates regularly in activities beyond immediate areas of responsibility which support the mission of the Port. 2e. Demonstrates consideration of the Port's values when making decisions. Supportive Information: 2a. Articulates or shows appreciation for the importance of shared vision:	**A**

Performance Factors and Supportive Information	Rating
• Connected the Port's daily operations to its larger role in Guam's economy, supply chain, resilience, and strategic infrastructure, reinforcing a shared focus on modernization, financial stewardship, workforce development, accountability, and long-term sustainability. • Used the Port's 50th anniversary to honor five decades of service while focusing employees and stakeholders on preparing the Port for its next 50 years. 2b. Demonstrates civility in relations with others: • Maintained professional and respectful relationships with employees, the Board of Directors, government leaders, Port users, tenants, maritime stakeholders, federal and military partners, and community organizations, remaining accessible and constructive even when disagreements arose. 2c. Requires supervised employees to show civility in their relations toward others: • Established clear expectations for professional and respectful conduct and reinforced management responsibility for maintaining a fair and respectful workplace through performance accountability, personnel reforms, and consistent application of established processes. 2d. Participates regularly in activities beyond immediate areas of responsibility which support the mission of the Port: • Maintained active engagement with territorial and federal leadership, legislative oversight, military partners, Port users, maritime organizations, and community stakeholders to advance infrastructure, economic resilience, supply chain security, energy security, sustainability, and national readiness. • Converted external engagement into institutional results, including $4.8 million in federal funding toward F1 Pier restoration and continued advocacy for replacement of the Port's aging ship to shore cranes, while strengthening professional maritime engagement through completion of the Maritime Port Manager and Maritime Port Executive certifications. • Used the Port's 50th anniversary to strengthen engagement with employees, retirees, government leaders, Port users, maritime partners, and the community while recognizing their collective contribution to the institution. 2e. Demonstrates consideration of the Port's values when making decisions: • Incorporated accountability, stewardship, transparency, fairness, environmental responsibility, and long term institutional interests into executive decision making, including financial management, personnel governance, infrastructure investment, and modernization. • Advanced transparency and accountability through clean audits, management reviews, public reporting, and nationally recognized Citizen Centric Reporting, while strengthening fairness in personnel administration through the Out of Position Detail and Desk Audit policies and related controls. • Integrated environmental stewardship and resilience into modernization through the approximately $2.41 million EPA Clean Ports initiative and investments in equipment, fuel infrastructure, and future ship to shore cranes that support Guam's supply chain, energy security, economic resilience, and strategic priorities.	

Performance Factors and Supportive Information	Rating
3. Management Practices 3a. Demonstrates commitment to good customer services. • 3b. Demonstrates competency in labor management relations activities necessary to effectively manage the areas of responsibility. 3c. Questions existing practices for continued relevancy. 3d. Effectively initiates and promotes necessary change in the areas of responsibility. 3e. Sets and enforces performance standards effectively. 3f. Recognizes and rewards good performance. 3g. Plans effectively and shows good project management skills. 3h. Shows awareness of "good practices" for areas of responsibility. • 3i. Encourages employees to improve performance and grow by actively supporting and encouraging employees to participate in training and development activities. Supportive Information: 3a. Demonstrates commitment to good customer services. • Maintained regular engagement with Port users, tenants, carriers, maritime stakeholders, and the Port Users Group of Guam while advancing equipment modernization to improve service reliability, balancing customer needs with safety, financial integrity, regulatory compliance, and equitable treatment. • 3b. Demonstrates competency in labor management relations activities necessary to effectively manage the areas of responsibility. • Maintained attention to workforce issues while respecting personnel processes, collective bargaining requirements, employee rights, and management responsibilities, including implementation of the Out of Position Detail and Desk Audit policies to promote greater fairness and consistency. • Supported succession planning, cross training, mentorship, and professional development while addressing personnel matters directly when necessary and requiring appropriate documentation and consistent application of policy. 3c. Questions existing practices for continued relevancy. • Questioned longstanding practices when they no longer adequately served the Port, resulting in reforms to employee assignments, desk audits, recruitment, billing controls, tariff review, and other financial and personnel processes. • Strengthened preventive controls through internal pre audits, recruitment safeguards, redacted applications, rotating rating panels, conflict disclosures, practical assessments, and stronger documentation requirements. 3d. Effectively initiates and promotes necessary change in the areas of responsibility. • Continued leading the Port from corrective management toward modernization and stronger institutional systems through reforms in personnel governance, equipment, infrastructure, technology, financial management, and workforce development. • Expanded modernization to include sustainability and resilience through implementation of the approximately $2.41 million EPA Clean Ports initiative while positioning the Port for future economic, military, and supply chain requirements.	**A**

Performance Factors and Supportive Information	Rating
3e. Sets and enforces performance standards effectively. • Used the CY2025 Midyear and Final Year management reviews to establish expectations, measure progress, identify deficiencies, and require follow through, reinforcing accountability for communication, documentation, financial discipline, regulatory compliance, operational performance, and cross divisional coordination. • Intervened when necessary while emphasizing that delegated authority carries responsibility for results and that management reporting must identify deficiencies and unfinished priorities as well as accomplishments. 3f. Recognizes and rewards good performance. • Recognized employees, managers, divisions, and organizational partners for their contributions to Port accomplishments and consistently treated major achievements as shared institutional successes. • Used the Port's 50th anniversary to recognize employees, retirees, Port users, government leaders, maritime partners, and others whose collective service contributed to five decades of institutional progress. 3g. Plans effectively and shows good project management skills. • Oversaw approximately $141.8 million in completed, ongoing, and approved capital improvements over roughly five to six years while advancing the $5.7 million Guam Marine Transportation Enhancement Initiative, including nine new container yard tractors and additional cargo handling equipment. • Secured $4.8 million toward the $6.9 million F1 Pier restoration project and continued advancing replacement of the Port's aging ship to shore cranes, while balancing capital requirements with debt management and future borrowing capacity. • Used the CY2025 management review process to connect annual objectives, midyear assessment, year end performance, and future priorities. 3h. Shows awareness of good practices for areas of responsibility. • Applied sound practices in financial management, procurement, personnel administration, infrastructure planning, sustainability, transparency, safety, security, and Port operations, supported by clean audits, investment grade credit ratings, delegated procurement authority, and transparent public reporting. • Strengthened his professional maritime management knowledge by becoming the first Port General Manager to earn both the Maritime Port Manager and Maritime Port Executive certifications and applied that knowledge to the Port's continuing modernization. 3i. Encourages employees to improve performance and grow by actively supporting and encouraging employees to participate in training and development activities. • Promoted succession planning, mentorship, cross training, professional development, practical assessments, and employee advancement to strengthen technical competency, management capability, operational readiness, and institutional continuity. • Reinforced management responsibility for developing employees and emphasized that modernization requires investment not only in infrastructure, equipment, and technology, but also in the people who will operate, maintain, and ultimately lead the Port.	
	A

Performance Factors and Supportive Information	Rating
4. Relational Skills 4a. Works effectively with others. 4b. Works collaboratively and negotiates effectively. 4c. Maintains confidentiality. 4d. Accepts constructive criticism without offense. 4e. Demonstrates sensitivity to the rights and opinions of others, even in disagreement. 4f. Presents a positive image of the Port to external publics. 4g. Respects cultural differences and embraces activities which support a diverse community. Supportive Information: 4a. Works effectively with others: • Maintained productive working relationships with employees, the Board of Directors, government leaders, Port users, maritime stakeholders, federal and military partners, and community organizations. These relationships supported collaboration across organizational and institutional boundaries and helped advance Port priorities. • With the assistance of the Port's legal counsel, the General Manager responded to four post audit complaints, an employee grievance, and a whistleblower complaint through the appropriate administrative processes. The post audit matters were resolved in the General Manager's favor, and the Civil Service Commission cleared the General Manager of the allegations presented in the employee grievance. The individual who filed the whistleblower complaint and adverse action appeal subsequently withdrew both matters from the Civil Service Commission. Collectively, these outcomes provide objective support for the General Manager's conduct in the matters reviewed and his adherence to applicable personnel procedures and due process requirements. 4b. Works collaboratively and negotiates effectively: • Maintained constructive relationships with the Board of Directors, Governor and Lieutenant Governor, federal and territorial partners, Port users, and maritime stakeholders, working collaboratively to advance major Port priorities while respecting the respective roles and interests of each party. • Converted collaboration into measurable results, including $4.8 million in federal funding toward the $6.9 million F1 Pier restoration project and continued advancement of equipment modernization, sustainability, critical infrastructure, and ship to shore crane replacement. • Sought common ground when interests differed without compromising the Port's financial, operational, legal, or regulatory responsibilities. 4c. Maintains confidentiality: • Maintained appropriate confidentiality in personnel, legal, procurement, financial, security, and other sensitive matters, balancing transparency with the responsibility to protect privileged, confidential, and legally protected information. • Reinforced appropriate documentation, internal controls, and established processes for handling sensitive organizational matters. 4d. Accepts constructive criticism without offense: • Maintained an open approach to Board and legislative oversight, employee feedback, Port user concerns, professional advice, and recommendations from government and federal partners. • Used the CY2025 Midyear and Final Year reviews to identify deficiencies and unresolved	

Performance Factors and Supportive Information	Rating
matters, reconsidering existing practices and implementing corrective measures when improvement was necessary. 4e. Demonstrates sensitivity to the rights and opinions of others, even in disagreement: • Maintained professional and productive relationships with the Board, government leaders, employees, Port users, tenants, and other stakeholders even when perspectives differed, remaining accessible while making decisions in the Port's best institutional interests. • Promoted fairness and respect for employee rights through personnel reforms designed to strengthen consistency, documentation, and accountability, including the Out of Position Detail and Desk Audit policies. 4f. Presents a positive image of the Port to external publics: • Served as the Port's principal executive representative, communicating progress in financial stewardship, modernization, federal investment, operational readiness, sustainability, workforce development, and institutional reform while candidly acknowledging continuing challenges. • Strengthened the Port's external credibility through accomplishments independently validated by investment grade credit ratings, clean audits, delegated procurement authority, significant federal investment, and a fourth national Certificate of Excellence in Citizen Centric Reporting. • Used the Port's 50th anniversary to recognize its employees, retirees, Port users, government partners, and maritime community while communicating a forward looking vision for the Port's next 50 years. 4g. Respects cultural differences and embraces activities which support a diverse community: • Maintained an inclusive leadership approach and strengthened personnel practices promoting fairness, equal opportunity, and objective consideration, including redacted applications, rotating rating panels, conflict disclosures, and practical assessments. • Recognized the diverse contributions of employees, retirees, Port users, government partners, maritime stakeholders, and the community, particularly during the Port's 50th anniversary, while reinforcing the Port's responsibility to serve all of Guam.	
5. Commitment to Diversity 5a. Respects cultural differences and embraces activities which support a diverse community. 5b. Utilizes recruitment strategies designed to attract diverse applicant pools. 5c. Actively engages in diversity initiatives, such as, mentoring, training and employee networks. 5d. Displays a commitment to diversity. Supportive Information: 5a. Respects cultural differences and embraces activities which support a diverse community: • Maintained an inclusive leadership approach that respected the diverse backgrounds, experiences, and perspectives of employees and stakeholders while reinforcing expectations for professionalism, fairness, and respect. • Used the Port's 50th anniversary to recognize the collective contributions of employees, retirees, Port users, government leaders, maritime partners, and community members while reinforcing the Port's responsibility to serve all of Guam. 5b. Utilizes recruitment strategies designed to attract diverse applicant pools: • Strengthened recruitment practices to promote fairness, objectivity, transparency, and equal	**A**

Performance Factors and Supportive Information	Rating
opportunity through redacted applications, rotating rating panels, conflict disclosures, practical assessments, and other safeguards designed to reduce bias and support credible selection decisions. • Continued emphasizing competitive recruitment as essential to developing a workforce capable of meeting the Port's evolving operational, technical, administrative, and leadership needs. 5c. Actively engages in diversity initiatives, such as mentoring, training and employee networks: • Advanced mentorship, succession planning, cross training, professional development, and advancement opportunities across classifications and divisions to broaden employee development and strengthen institutional continuity. • Reinforced the responsibility of managers and supervisors to identify, mentor, and prepare employees with the ability and interest to assume greater responsibilities. 5d. Displays a commitment to diversity: • Demonstrated commitment to fairness, inclusion, equal opportunity, and objective personnel administration through strengthened recruitment safeguards and the Out of Position Detail and Desk Audit policies. • Emphasized that personnel decisions should be based on established standards, documented processes, qualifications, demonstrated capability, and organizational needs while providing employees opportunities for development, advancement, and greater responsibility.	
6. Resource Management 6a. Recruits, selects and retains capable, productive employees. 6b. Effectively deploys staff, equipment and technology to accomplish work. 6c. Shows good stewardship of financial resources. 6d. Demonstrates knowledge of budget and use of financial reporting systems. 6e. Displays creativity/innovative in managing resources. Supportive information: 6a. Recruits, selects and retains capable, productive employees: • Strengthened recruitment and selection through redacted applications, rotating rating panels, conflict disclosures, practical assessments, and stronger internal controls to promote merit, fairness, and objective personnel decisions. • Advanced succession planning, mentorship, cross training, and professional development while implementing the Out of Position Detail and Desk Audit policies to strengthen workforce capability, institutional continuity, and personnel accountability. • Managed staffing requirements with attention to operational need and long term affordability. 6b. Effectively deploys staff, equipment and technology to accomplish work: • Aligned personnel, equipment, technology, and financial resources with operational requirements while maintaining continuous service as Guam's only commercial seaport. • Advanced the $5.7 million Guam Marine Transportation Enhancement Initiative, adding nine container yard tractors, loaded and empty container handlers, a 180 foot boom lift, and other specialized equipment, while continuing efforts to replace aging ship to shore cranes. • Continued leveraging JDE EnterpriseOne, cross training, and succession planning to improve deployment of administrative, financial, technological, and workforce resources. 6c. Shows good stewardship of financial resources:	**A**

Performance Factors and Supportive Information	Rating
• Balanced financial discipline with substantial modernization, including the strategic pay down of up to $3.07 million in 2018 Revenue Bond debt, expenditure controls, revenue integrity measures, and continued investment in equipment, infrastructure, technology, workforce, safety, and resilience. • Leveraged significant federal resources, including $5.7 million for equipment modernization, approximately $2.41 million for the EPA Clean Ports initiative, and $4.8 million toward F1 Pier restoration, reducing the burden of modernization on the Port and its users. • Maintained the financial discipline supporting the Port's clean audit record, investment grade credit position, debt service capacity, and ability to pursue future capital investment. 6d. Demonstrates knowledge of budget and use of financial reporting systems: • Maintained executive oversight of revenues, expenditures, debt service, capital obligations, financial performance, and borrowing capacity, using this information to guide debt reduction, staffing, operating, and capital decisions. • Continued utilizing JDE EnterpriseOne as an integrated financial and administrative platform while using the CY2025 Midyear and Final Year reviews to connect financial and operational performance with established management objectives. 6e. Displays creativity and innovation in managing resources: • Used federal funding strategically to advance equipment, infrastructure, sustainability, resilience, and workforce priorities while preserving Port resources and borrowing capacity, including the Marine Transportation Enhancement, Clean Ports, and F1 Pier initiatives. • Continued pursuing federal investment for replacement of the Port's aging ship to shore cranes while balancing debt reduction with continued capital modernization. • Applied innovative workforce management through succession planning, cross training, competency based assessments, recruitment safeguards, and structured personnel governance to strengthen the Port's long term institutional capacity.	
7. Communication Skills 7a. Shares appropriate information with internal and external audiences in a timely and responsible manner. 7b. Manages meetings effectively. 7c. Possesses effective listening skills. 7d. Articulates clearly and writes effectively. 7e. Displays effective presentation skills. Supportive information: 7a. Shares appropriate information with internal and external audiences in a timely and responsible manner: • Maintained regular communication with the Board of Directors, government leadership, legislative oversight, employees, Port users, tenants, federal partners, maritime stakeholders, and the public regarding operations, finances, infrastructure, and institutional priorities. • Used the CY2025 Midyear and Final Year reviews to strengthen internal reporting and accountability while communicating both accomplishments and challenges, contributing to the Port's fourth national Certificate of Excellence in Citizen Centric Reporting.	**A**

<table>
<tr><th>Performance Factors and Supportive Information</th><th>Rating</th></tr>
<tr><td>7b. Manages meetings effectively:
• Used executive and management meetings to establish priorities, clarify responsibilities, resolve issues, and promote coordination, drawing upon Deputy General Managers, division heads, technical personnel, and other employees whose expertise was necessary for informed decisions.
• Convened and participated in meetings with government, federal, industry, and community stakeholders to advance Port priorities, emphasizing clear responsibilities, decisions, and follow through.
7c. Possesses effective listening skills:
• Maintained accessibility to employees, the Board, government leaders, legislative oversight, Port users, tenants, and other stakeholders, considering differing perspectives and feedback in executive decision making.
• Used stakeholder input, management reviews, professional advice, and oversight feedback to reassess practices and identify improvements while balancing recommendations against law, financial capacity, operational requirements, regulatory obligations, and the Port’s long term interests.
7d. Articulates clearly and writes effectively:
• Communicated clear expectations through directives, memoranda, performance reviews, policies, reports, correspondence, and public communications, translating complex financial, operational, infrastructure, personnel, and policy matters for different audiences.
• Emphasized documentation as an essential element of accountability and supported transparent reporting of the Port’s performance, accomplishments, challenges, and future priorities.
7e. Displays effective presentation skills:
• Represented the Port before the Board, government leadership, legislative oversight, federal agencies, maritime organizations, Port users, and the community, connecting Port priorities to Guam’s economic security, supply chain resilience, infrastructure modernization, energy security, and strategic importance.
• Communicated a consistent vision of modernization supported by financial stewardship, operational readiness, workforce development, and accountability, using the Port’s 50th anniversary to connect its history with the responsibility to prepare the institution for its next 50 years.</td><td></td></tr>
<tr><td>8. Accountability
8a. Takes responsibility for fulfilling job duties.
8b. Meets attendance and punctuality guidelines.
8c. Demonstrates accuracy and thoroughness.
8d. Completes work on time.
8e. Follows instructions and directions.

Supportive Information:
8a. Takes responsibility for fulfilling job duties:
• Accepted responsibility for the Port’s overall performance and maintained executive and even in many instances where required provided hands on management oversight of its operational, financial, personnel, regulatory, infrastructure, and institutional responsibilities.</td><td>A</td></tr>
</table>

Performance Factors and Supportive Information	Rating
• Addressed all issues directly when necessary and implemented corrective and preventive measures, including personnel governance reforms and stronger internal controls, while appropriately recognizing the contributions of managers, employees, and partners. 8b. Meets attendance and punctuality guidelines: • Maintained the attendance, accessibility, and availability required of the General Manager, including beyond normal working hours when operational or institutional matters required executive attention. • Balanced daily executive responsibilities with Board matters, government and legislative engagements, federal coordination, stakeholder meetings, and other obligations necessary to advance the Port's mission. • Attended and actively participated in all board meetings. 8c. Demonstrates accuracy and thoroughness: • Emphasized documentation, factual accuracy, financial integrity, regulatory compliance, and completeness in executive decision making and reporting, using the CY2025 Midyear and Final Year reviews to verify progress and identify unresolved matters. • Strengthened internal controls and required accurate reporting to the Board, government leadership, legislative oversight, federal agencies, Port users, and the public, supported by the Port's clean audit record, investment grade credit standing, and national recognition for Citizen Centric Reporting. 8d. Completes work on time: • Maintained progress across simultaneous operational, financial, infrastructure, personnel, regulatory, and strategic priorities, including equipment modernization, F1 Pier restoration funding, the EPA Clean Ports initiative, personnel governance reforms, and the ship to shore crane replacement program. • Used the Midyear Review to identify delays and establish corrective expectations while maintaining attention to federal grant, financial, regulatory, Board, procurement, and other time sensitive requirements. 8e. Follows instructions and directions: • Implemented Board priorities while exercising the authority and judgment assigned to the General Manager, including incorporating prior Board evaluation priorities into CY2025 objectives and measuring progress through the Midyear and Final Year reviews. • Maintained compliance with applicable laws, regulations, grant requirements, procurement requirements, personnel rules, financial obligations, and regulatory standards while respecting the respective roles of the Board, management, and governmental authorities.	
9. Responsiveness/Customer Service 9a. Consistently demonstrates respect, responsiveness and professionalism. 9b. Provides each customer with the same high quality services. 9c. Fosters and models a commitment to customer service. 9d. Builds customer and confidence and increases customer satisfaction. 9e. Makes customers and their needs a primary focus. 9f. Developing and sustaining productive customer relationship. Supportive Information:	**A**

Performance Factors and Supportive Information	Rating
9a. Consistently demonstrates respect, responsiveness and professionalism • Maintained regular and direct engagement with Port users, carriers, tenants, the Port Users Group of Guam, government partners, and other stakeholders, remaining accessible and professional even when perspectives differed. • Ensured significant customer concerns received appropriate management attention while balancing responsiveness with the Port's legal, financial, regulatory, and operational responsibilities. 9b. Provides each customer with the same high quality services: • Emphasized consistent and equitable treatment of Port users through uniform application of policies, tariff requirements, and operational procedures, regardless of customer size or commercial significance. • Advanced equipment modernization to strengthen reliable service across the customer base, including nine new container yard tractors and new loaded and empty container handlers. 9c. Fosters and models a commitment to customer service. • Reinforced that the Port exists to serve Guam's maritime commerce and that operational performance directly affects businesses, consumers, and the broader community. • Connected equipment, infrastructure, technology, workforce development, and operational readiness to improved customer service while personally engaging significant issues when executive attention was necessary. 9d. Builds customer confidence and increases customer satisfaction. • Strengthened customer confidence through open communication, continued investment in equipment and infrastructure, and regular engagement with the Port Users Group of Guam and other maritime stakeholders. • Reinforced confidence in the Port's institutional stability through clean audits, investment grade credit ratings, transparent reporting, and responsible financial management. 9e. Makes customers and their needs a primary focus: • Considered the needs of carriers, truckers, tenants, cargo owners, petroleum operators, and other Port users when establishing priorities for equipment, infrastructure, technology, workforce, and terminal operations. • Advanced major investments supporting reliable service, including the $5.7 million Guam Marine Transportation Enhancement Initiative, ship to shore crane replacement efforts, and $4.8 million in federal funding toward F1 Pier restoration, while balancing customer needs with safety, compliance, financial sustainability, and equitable treatment. 9f. Develops and sustains productive customer relationships: • Maintained productive relationships with the Port Users Group of Guam, carriers, stevedores, truckers, tenants, petroleum operators, and other maritime stakeholders through direct communication, consistency, and mutual respect, including when disagreements arose. • Engaged Port users on both immediate operational concerns and the Port's long term modernization and strategic direction, while using the 50th anniversary to recognize the maritime community's longstanding contribution to the institution.	

Performance Factors and Supportive Information	Rating
10. Decision Making/Problem Solving 10a. Identifies and understands issues, problems and opportunities. 10b. Make timely and rational decisions based on analysis of relevant information/data 10c. Accepts responsibility for decisions and takes proper action when necessary. 10d. Uses effectively approaches for choosing a course of action or developing appropriate actions. 10e. Takes action that is consistent with available facts, constraints, and probable consequences. Supportive information: 10a. Identifies and understands issues, problems and opportunities: • Identified immediate operational concerns and underlying institutional risks, including aging cargo handling equipment and cranes, financial capacity, revenue integrity, personnel practices, and critical infrastructure vulnerabilities. • Responded with longer term solutions, including equipment replacement, capital and federal funding strategies, personnel governance reforms, stronger internal controls, and $4.8 million in federal funding toward restoration of F1 Pier. • Used the CY2025 Midyear and Final Year reviews to distinguish completed objectives from deficiencies requiring corrective action or continued attention. 10b. Makes timely and rational decisions based on analysis of relevant information and data. • Used financial performance, debt service requirements, capital needs, operating conditions, equipment requirements, and future borrowing capacity to guide major decisions, including the strategic pay down of up to $3.07 million in 2018 Revenue Bond debt and continued equipment modernization. • Used management reporting and the Midyear Review to identify and address issues during the evaluation period while considering financial, operational, legal, regulatory, personnel, and stakeholder factors in executive decisions. 10c. Accepts responsibility for decisions and takes proper action when necessary. • Accepted responsibility for executive decisions affecting operations, finances, personnel, infrastructure, regulatory obligations, and institutional direction, intervening when significant matters were not adequately resolved within the management structure. • Implemented corrective measures when existing practices proved insufficient while recognizing the continuing need to strengthen management ownership and accountability below the General Manager level. 10d. Uses effective approaches for choosing a course of action or developing appropriate actions: • Applied solutions appropriate to the underlying problem, using policy reform, financial action, equipment acquisition, capital investment, management direction, federal assistance, or combinations of these approaches rather than relying on temporary fixes. • Addressed recurring institutional issues through longer term solutions, including new cargo handling equipment, crane replacement efforts, personnel governance reforms, federal funding strategies, and management performance reviews. 10e. Takes action that is consistent with available facts, constraints and probable consequences: • Balanced modernization and operational requirements against financial capacity, debt obligations, procurement and federal requirements, Guam's geographic limitations, infrastructure redundancy, and the need to maintain uninterrupted commercial operations.	**A**

Performance Factors and Supportive Information	Rating
• Anticipated the long term consequences of aging equipment and infrastructure by advancing replacement and rehabilitation, including F1 Pier restoration, while protecting the financial discipline and institutional credibility necessary to sustain future investment.	
11. Work Environment/Safety 11a. Promotes and supports a respectful workplace; comply with laws, policies and procedures. 11b. Models ethical behavior and decision making and ensures compliance. Supportive information: 11a. Promotes and supports a respectful workplace; complies with laws, policies and procedures. • Reinforced expectations for professional and respectful conduct and compliance with applicable laws, personnel rules, collective bargaining requirements, Port policies, safety standards, and established procedures. • Strengthened fairness and consistency in personnel administration through the Out of Position Detail and Desk Audit policies, recruitment safeguards, internal pre audits, conflict disclosures, practical assessments, and stronger documentation requirements. • Supported workforce development, safety, security, and operational readiness while using management reviews and executive oversight to identify and correct areas requiring improved compliance or management accountability. 11b. Models ethical behavior and decision making and ensures compliance. • Maintained accountability, transparency, fairness, financial stewardship, and compliance as standards for executive decision making, ensuring decisions were grounded in law, policy, documented facts, financial capacity, regulatory requirements, and the Port's institutional interests. • Strengthened internal controls across personnel administration, recruitment, financial management, revenue integrity, procurement, and management accountability, contributing to continued clean audits, investment grade credit standing, delegated procurement authority, and nationally recognized Citizen Centric Reporting. • Respected the distinct roles of Board governance, executive management, regulatory oversight, procurement, and personnel processes while intervening when necessary and establishing stronger controls when existing practices proved insufficient.	**A**

PART II: JOB SPECIFIC PERFORMANCE OBJECTIVES

JOB SPECIFIC PERFORMANCE OBJECTIVES

Instructions: Part II creates the performance deliverable which will be measured. The General Manager and Board of Directors should identify below between 5 and 8 significant deliverables in the form of major initiatives or projects. They may include annual program objectives or project related work. The intent is that there should be some collaboration between the General Manager and Board of Directors when assigning the deliverables and they should be prioritized, if at all possible, with the most important in block 1, next most important in block 2, etc. If more than 8 deliverables require listing, those in excess of 8 may be listed in the back of the last page. (NOTE: It is typical for some priorities to change over the course of the year, and it also foreseeable that some objectives set at the beginning of the cycle may prove unachievable for reasons outside the General Manager's control.)

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<tr><th>Job Specific Performance Objectives</th><th>Rating</th></tr>
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1. Critical Infrastructure Modernization and STS Crane Replacement
Objective:
Advance the Port's highest priority capital improvement projects necessary to strengthen operational reliability, resilience, commercial capacity, and military readiness.
Priority projects include replacement of the Port's aging ship to shore gantry cranes, rehabilitation or replacement of critical fuel infrastructure, modernization of Berths F2 through F6, rehabilitation of Hotel Wharf and associated access roadways, Area A Fuel Storage Facility improvements, and replacement or modernization of aging Port facilities.

Continue pursuing federal funding, Port financing, and appropriate public private partnerships to advance these projects while minimizing unnecessary financial strain on the Port.
Expected Results:

Advance modernization of critical Port infrastructure, including replacement of the aging ship to shore gantry cranes, rehabilitation of Golf and F1 Piers, the Hotel Wharf and access roadway initiative, and modernization of Berths F2 through F6.
Advance strategic use of Port property and infrastructure through the Area A Fuel Storage Facility initiative and demolition or replacement of outdated structures.
Leverage federal funding, Port resources, and appropriate private sector participation to advance major capital investments while reducing the financial burden on the Port and its users.

Actual Results:
During 2025, the Port substantially advanced its critical infrastructure modernization program through federal funding, planning, design, and procurement preparation.

Management advanced the groundwork for three replacement ship to shore gantry cranes, contributing to the subsequent $59.6 million federal award in April 2026. The Port also secured $4.8 million toward the $6.9 million restoration of F1 Pier, Guam's sole operational fuel import terminal following the loss of Golf Pier.

The Port continued advancing approximately $141.8 million in completed, ongoing, and approved capital projects while leveraging federal, territorial, and military partnerships to reduce the financial burden of modernization.

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Job Specific Performance Objectives	Rating
In February 2025, the U.S. Maritime Administration approved a Build America, Buy America waiver for gantry crane procurement in U.S. Pacific territories, removing a significant barrier to replacement of the Port's aging cranes. Building on this progress, the Port submitted an application in September 2025 to the federal Port Infrastructure Development Program requesting $75 million in funding for three new ship to shore gantry cranes and related infrastructure improvements. The Ship to Shore Crane Demolition and Barge Removal Project also reached 90 percent completion during 2025, clearing the site for installation of the Port's replacement cranes. Overall, Objective 1 was substantially advanced. While several major projects remained multiyear initiatives, the Port secured significant federal investment, moved critical infrastructure priorities toward implementation, and continued modernization while protecting its financial capacity.	
2. Operational Efficiency, Capacity and Equipment Reliability **Objective** Maintain and improve the Port's operational efficiency and cargo handling capacity through improved vessel operations, reliable cargo handling equipment, stronger maintenance systems, disciplined overtime management, and better alignment between operational activity and financial performance. **Expected Results** • Improve operational reliability and vessel service through effective deployment and maintenance of cargo handling equipment, stronger preventive maintenance, and improved tracking of equipment condition and critical spare parts. • Use operational performance data and maintenance systems to reduce equipment downtime, strengthen decision making, and align overtime and resources with actual operational requirements. • Strengthen coordination among Operations, Equipment Maintenance, Finance, vendors, and other responsible divisions to improve terminal performance and equipment reliability. **Actual Results:** During 2025, the Port maintained operational continuity while improving cargo handling capacity and equipment management. Through the $5.7 million Guam Marine Transportation Enhancement Initiative, the Port added nine container yardtractors, two loaded container handlers, three empty container handlers, and a 180 foot boom lift, with additional equipment in procurement. The Port strengthened preventive maintenance, repair tracking, and management visibility through improved maintenance and financial tracking tools while continuing to sustain its aging ship to shore crane fleet and advance long term replacement. Ship to shore crane downtime declined from 127 incidents in FY2024 to 105 incidents in FY2025. Although the aging crane fleet remained an operational vulnerability, the reduction reflected continued maintenance, repair, and operational coordination while long term replacement efforts advanced.	**A**

Job Specific Performance Objectives	Rating
Overall, the objective was substantially advanced. New equipment increased operational capacity and maintenance systems improved asset management, although equipment reliability and reducing downtime remained continuing priorities beyond CY2025.	
3. Workforce Development, Succession Planning and Personnel Governance **Objective** Strengthen the Port's workforce through succession planning, mentorship, leadership development, cross training, professional development, fair and consistent personnel practices, and improved alignment between employee duties and organizational requirements. **Expected Results:** • Strengthen succession planning, mentorship, leadership development, cross training, and technical training to prepare employees for future leadership and critical skilled positions. • Implement the Out of Position Assignment and Desk Audit policies to promote fairness, align employee capabilities with organizational needs, and support workforce development. • Improve employee engagement, recognition, and personnel administration while advancing appropriate automation through the E1 system. **Actual Results:** During 2025, the Port strengthened workforce development and personnel governance through implementation of the Out of Position Detail and Desk Audit policies and recruitment safeguards including internal pre audits, redacted applications, rotating rating panels, conflict disclosures, and practical assessments. Management also advanced succession planning, mentorship, cross training, and professional development to prepare employees for greater technical, supervisory, and leadership responsibilities and preserve institutional knowledge. During 2025, the General Manager also issued a comprehensive Workplace Violence Policy, adopted by the Board as Board Policy Memorandum No. 2025-01, establishing clear standards of professional conduct applicable at every level of the organization, including the General Manager, and grounded in Guam Supreme Court precedent. Overall, Objective 3 was substantially advanced through stronger systems designed to make personnel decisions more consistent, fair, documented, and sustainable, while continued training, succession planning, and management development remained ongoing priorities.	**A**
4. Financial Sustainability, Revenue Integrity and Capital Capacity **Objective** Protect and strengthen the Port's financial position while maintaining sufficient capacity to fund operations and advance necessary infrastructure modernization. Strengthen revenue integrity, financial reporting, budget discipline, debt management, and alignment between operational	**A**

Job Specific Performance Objectives	Rating
activity and financial systems to support the Port's long term financial sustainability. **Expected Results** • Maintain fiscal discipline, strengthen revenue integrity and financial controls, and improve financial reporting to ensure revenues appropriately reflect services provided and support informed management decisions. • Align operating, staffing, equipment, and capital requirements with available resources while responsibly managing debt and preserving the Port's credit position and capacity to finance future modernization. **Actual Results:** During 2025, the Port maintained strong financial discipline while advancing significant modernization. The Port received a clean, unmodified audit with no material weaknesses, maintained Low Risk Auditee status, and preserved its Baa2 investment grade credit rating. Management strengthened revenue integrity, billing controls, tariff review, and debt management while leveraging federal resources, including $4.8 million toward the $6.9 million F1 Pier restoration project. By year end, approximately $141.8 million in completed, ongoing, and approved capital improvements had been advanced over roughly five to six years. During 2025, management also took targeted action to strengthen revenue integrity and financial capacity. In July 2025, the Port filed a tariff petition with the Guam Public Utilities Commission (PUC Port Docket 25-03) to correct vessel labor and equipment billing rates that had not been adjusted since October 2020, supported by sworn management testimony, independent consultant analysis, and formal Board approval. In June 2025, the Board authorized the cash defeasance of up to $3.07 million in 2018 Revenue Bond debt to address the effect of revenues excluded from the debt service coverage calculation, preserve covenant compliance, and strengthen the Port's capacity for future financing. The Port's FY2025 Single Audit further confirmed this financial discipline, yielding an unmodified compliance opinion, no findings or material weaknesses in internal control over financial reporting or federal compliance, and reconfirmed Low Risk Auditee status, while the Port administered $4.26 million in federal awards across five federal agencies, led by $2.7 million in DOT Marine Highway Grant funding. The Port maintained its "A" bond rating with a stable outlook from S&P Global Ratings and its Baa2 investment grade rating from Moody's Investors Service, providing independent affirmation of the Port's fiscal discipline. Overall, Objective 4 was substantially achieved. The Port strengthened financial controls and revenue integrity while preserving the financial capacity and credit standing necessary to support continued modernization.	
5. Information Technology, Cybersecurity and Systems Integration **Objective** Modernize the Port's information technology infrastructure and operational systems to improve efficiency, cybersecurity, data integrity, business continuity, and integration between	**B**

Job Specific Performance Objectives	Rating
administrative and operational technology. **Expected Results** • Modernize the Terminal Operating System and strengthen integration of operational, financial, and information technology systems to improve efficiency, reliability, data integrity, and management decision making. • Strengthen cybersecurity, business continuity, employee awareness, and protection of critical Port systems while advancing succession planning, cross training, and professional development within Information Technology. **Actual Results** During 2025, the Port continued advancing technology modernization through improvements to the Terminal Operating System, cybersecurity, information technology infrastructure, and integration of operational, financial, and administrative systems. The Port continued utilizing JDE EnterpriseOne to support accounting, payroll, procurement, inventory, accounts receivable, fixed assets, work orders, and financial reporting while strengthening cybersecurity awareness, business continuity, and protection of critical systems. Overall, Objective 5 was advanced but remained a work in progress. Continued TOS development, systems integration, cybersecurity, and stronger internal ownership remained priorities beyond CY2025.	
6. Sustainability, Environmental Compliance and Resilience **Objective** Advance the Port's sustainability and environmental initiatives while integrating resilience, emissions reduction, energy efficiency, environmental compliance, and long term infrastructure planning into the Port's modernization strategy. **Expected Results** • Advance the Zero Emission and Zero Waste Study and EPA Clean Ports initiative to establish measurable sustainability, emissions reduction, energy efficiency, and resilience priorities. • Integrate sustainability into capital planning, environmental compliance, equipment and technology decisions, and workforce development while ensuring operational reliability. **Actual Results** During 2025, the Port substantially advanced sustainability and resilience through the approximately $2.4 million EPA Clean Ports Climate and Air Quality Planning initiative and continued implementation of the Zero Emission and Zero Waste Study. These efforts integrated emissions reduction, energy efficiency, electrification, resilience, environmental compliance, and workforce development into the Port's broader infrastructure and modernization planning. The Port also expanded its lower emission equipment fleet in April 2025 with the delivery of two additional Tier 4 terminal yard tractors under the federal Diesel Emissions Reduction Act program, bringing the Port's Tier 4 tractor fleet to six. The Port was also identified as a collaborating entity in Community First Guam Federal Credit Union's application under the EPA Environmental and Climate Justice Community Change Grants	A

Job Specific Performance Objectives	Rating
Program. The proposed partnership included solar photovoltaic development, a microgrid feasibility study, and Route 11 seawall improvements. The Harbor Master's Office also resolved a longstanding navigational and environmental hazard by securing a U.S. EPA Ocean Dumping Permit, in collaboration with the U.S. Navy's Dive and Salvage Team and USNS Salvor, for removal of the M/V Voyager, safely disposed of 30 nautical miles offshore on October 2, 2025. Overall, Objective 6 was substantially advanced, moving sustainability from policy and planning toward federally funded implementation while recognizing that many initiatives remained multiyear efforts.	
7. National Readiness, Federal Collaboration and Strategic Positioning **Objective** Strengthen the Port's role in Guam's economic security and national defense by aligning Port infrastructure, operational priorities, and modernization efforts with the One Guam framework, federal priorities, military readiness requirements, and Guam's strategic importance within the Indo Pacific region. **Expected Results** • Advance the Port Readiness Plan and align critical infrastructure, equipment, operational, and resilience priorities with Guam's commercial, national security, and military readiness requirements. • Strengthen coordination with territorial, federal, and military partners to secure investment in critical civilian Port infrastructure, including ship to shore cranes, fuel infrastructure, and other assets supporting supply chain resilience and national defense. **Actual Results** During 2025, the Port strengthened its role as critical infrastructure supporting Guam's economy, supply chain resilience, military readiness, and national security. The Port secured $4.8 million toward the $6.9 million restoration of F1 Pier and advanced federal coordination and planning for three replacement ship to shore cranes, while continuing to advocate for federal investment in civilian infrastructure that supports national defense. The Port also strengthened its national readiness posture through direct engagement with defense and federal partners. In September 2025, Port management served as a panelist at the Guam Defense Forum alongside senior Department of Defense and industry leaders, including the Commander of Defense Logistics Agency Pacific, addressing Guam's defense supply chain and logistics ecosystem. Federal support for national readiness also included $510,485 in DoD Office of Economic Adjustment funding for military installation growth and $105,664 in DHS Port Security Grant Program funding during FY2025. Port Police separately submitted a new 2025 Port Security Grant application seeking to fortify all Port entry and exit points with security bollards and drop arms.	**A**

Job Specific Performance Objectives	Rating
In October 2025, the Port hosted the Maritime Resilience and Innovation Summit as part of its 50th Anniversary and Port Week 2025 activities. The Summit brought together more than 130 leaders from 42 government, military, academic, and industry organizations to advance the Port's resilience and modernization agenda. It concluded with the signing of a five year Sister Ports Agreement between the Port of Guam and the Port of Long Beach covering trade development, infrastructure development, city and port relations, environmental sustainability, and technology. The Port's Disaster Preparedness Plan and Typhoon Annex were also validated through federal compliance exercises during 2025. The Port institutionalized quarterly emergency training based on operational scenarios. Overall, Objective 7 was substantially achieved through stronger territorial, federal, and military partnerships, significant infrastructure funding, validated emergency preparedness, and increased recognition of the Port's strategic role in Guam's economic security and national readiness.	
8. Commercial Management, Tenant Relations and Stakeholder Engagement **Objective** Strengthen commercial management, tenant administration, customer service, and stakeholder relationships while ensuring that Port property and commercial activities support the Port's operational, financial, and institutional objectives. **Expected Results** • Strengthen lease administration, tenant compliance, property oversight, and coordination among Commercial, Finance, Operations, Engineering, Planning, and Legal Counsel to ensure effective use of Port assets and proper collection of revenues. • Maintain productive engagement with tenants, Port users, carriers, and maritime stakeholders while balancing customer service with financial, operational, regulatory, and stewardship responsibilities. • Attended all Board meetings during the rating period, provided monthly operational, financial, capital, and management updates to the Board, supported annual public reporting, and maintained oversight of marine pilot licensing requirements. **Actual Results** During 2025, the Port advanced commercial management through continued engagement with the Port Users Group of Guam, carriers, tenants, and maritime stakeholders while reviewing leases, commercial agreements, billing practices, and use of Port property. Management strengthened attention to revenue integrity, tenant compliance, documentation, and coordination among Commercial, Finance, Legal Counsel, Engineering, and other responsible divisions. During 2025, the Port also took concrete steps to strengthen commercial revenue and property utilization, adopting a new lease rate schedule in July 2025 projected to increase annual lease revenue by approximately 20 percent, and securing a four year, $10.6 million lease covering more than 374,000 square feet of Port property at Hotel Wharf in May 2025. The Port also submitted testimony to the Guam Legislature in support of Bill No. 183-38, extending the timeline for completion of the Customs Satellite Inspection Facility, a project the Port has supported since 2018	**A**

Job Specific Performance Objectives	Rating
by securing the site and incorporating it into the Port Master Plan. Working closely with the Board, Governor Lou Leon Guerrero, and Legislative Oversight Chairperson Senator Jesse A. Lujan, the General Manager established a Lease Credit Offset Program with Black Construction Corporation pursuant to Public Law 38-26 and Board Resolution No. 2025-23. The Board authorized up to $1 million in eligible tenant funded infrastructure improvements under the Glass Breakwater Project, subject to Port authorization, technical verification, financial validation, and the terms of the governing agreement. Eligible improvements include work at H Wharf, the former Hawaiian Rock site, the Family Beach easement, and the Port marinas, including a paved access road, new restroom and shower facilities at Family Beach, and solar lighting where required. The program allows these improvements to proceed without the direct expenditure of Port operating funds. Overall, Objective 8 was substantially advanced through measurable improvements in commercial revenue, property utilization, tenant engagement, and infrastructure investment. Commercial administration nevertheless remained an area requiring stronger lease management, tenant compliance, documentation, cross divisional coordination, and management ownership.	

The General Manager and the Board of Directors have met in a duly announce board meeting, discussed and agreed to the above initiatives as measurable deliverables for the Calendar Year 2025 performance cycle.

Employee' Signature:	**Date:**
Acting Board Chairperson Signature:	**Date:**

PART III: SUMMARY OF OVERALL PERFORMANCE

SUMMARY OF OVERALL PERFORMANCE:
The space below is provided for a narrative summary of the General Manager's performance over the immediate cycle to be completed by the Board of Directors (Rater).

Port Authority of Guam
General Manager Evaluation Report
Calendar Year 2025

Calendar Year 2025 reflected continued institutional advancement for the Port Authority of Guam. Building on prior financial recovery and operational resilience, the Port increasingly shifted its focus toward modernization, institutional capacity, workforce development, financial sustainability, and long term readiness.

The Port also marked its 50th anniversary, providing an opportunity to recognize five decades of service while focusing on the infrastructure, workforce, financial capacity, governance, and resilience necessary for the next 50 years.

Operational Achievements and Modernization

- Advanced the $5.7 million Guam Marine Transportation Enhancement Initiative, including nine new container yard tractors, loaded and empty container handlers, and other specialized equipment.
- Continued strengthening equipment maintenance, availability, and replacement planning while recognizing aging cargo handling equipment as a continuing operational vulnerability.
- Advanced major capital priorities involving wharves, fuel infrastructure, facilities, security, resilience, and cargo handling capacity.
- Continued technical planning, federal coordination, and funding development for replacement of the Port's aging ship to shore gantry cranes, including completing the groundwork and federal grant application that contributed directly to the subsequent federal award announced in 2026.
- Expanded the Port's lower emission equipment fleet with the delivery of two additional Tier 4 terminal yard tractors in April 2025 under the federal Diesel Emissions Reduction Act program, bringing the Tier 4 tractor fleet to six.
- Advanced Terminal Operating System, cybersecurity, EnterpriseOne, and systems integration initiatives, while recognizing technology modernization as continuing work.

Financial Stewardship and Institutional Credibility

- Maintained strong financial accountability through another clean independent audit, continued Low Risk Auditee status, and reaffirmation of the Port's "A" investment grade rating by S&P Global Ratings.
- Strengthened revenue integrity through continued attention to billing, tariff application, collections, internal controls, and revenues properly due to the Port.
- Balanced operating requirements, debt capacity, federal funding, and capital priorities to preserve the Port's ability to continue modernization without compromising financial stability.
- Continued leveraging federal resources to reduce reliance on Port generated revenues for major infrastructure, equipment, sustainability, security, and resilience investments.

- Filed the Port's comprehensive tariff petition with the Public Utilities Commission to address outdated rates, correct the structural labor cost imbalance, and strengthen the Port's capacity to fund operations and long term modernization.
- Authorized the cash defeasance of up to $3.07 million in 2018 Revenue Bond debt to address the effect of revenues excluded from the debt service coverage calculation, preserve covenant compliance, and strengthen future financial capacity.

Infrastructure, Resilience and National Readiness

- Secured $4.8 million in Defense Community Infrastructure Program funding toward the $6.9 million restoration of F1 Pier, Guam's sole operational fuel import terminal following the loss of Golf Pier.
- Continued advancing approximately $141.8 million in completed, ongoing, and approved capital improvements over roughly five to six years.
- Strengthened coordination with territorial, federal, and military partners and continued positioning the Port as critical civilian infrastructure supporting Guam's economy, supply chain, energy security, military readiness, and national defense.
- Advanced the rehabilitation and productive use of Hotel Wharf through lease negotiations and related infrastructure planning.
- Continued strengthening the Port's national readiness role through participation in the Guam Defense Forum and the Maritime Resilience and Innovation Summit, expanding coordination with military, federal, and maritime partners.

Workforce Development and Governance

- Initiated the Out of Position Detail and Desk Audit policies to strengthen consistency, fairness, documentation, and accountability in personnel administration.
- Strengthened recruitment integrity through internal pre audits, redacted applications, rotating rating panels, conflict disclosures, practical assessments, and stronger documentation.
- Advanced succession planning, mentorship, cross training, technical development, and professional advancement to strengthen institutional continuity.
- Used the Midyear and Final Year reviews to measure management performance, identify deficiencies, establish corrective expectations, and carry unresolved priorities forward.
- Identified management depth and ownership below the General Manager level as continuing areas for improvement, particularly where executive intervention remained necessary to resolve matters that should have been addressed earlier within the management structure.
- Adopted a Workplace Violence Prevention Policy to establish clearer standards, reporting procedures, responsibilities, and safeguards for maintaining a safe and accountable workplace.

Sustainability and Environmental Stewardship

- Advanced the approximately $2.4 million EPA Clean Ports Climate and Air Quality Planning initiative and continued building upon the Port's Zero Emission and Zero Waste work.
- Integrated emissions reduction, energy efficiency, electrification, resilience, workforce development, and environmental stewardship into the Port's larger modernization strategy.
- Completed the federally supported removal and disposal of the M/V Voyager on October 2, 2025, resolving a longstanding environmental, navigational, and property management concern.
- Participated as a collaborating entity in Community First Guam Federal Credit Union's application under the EPA Environmental and Climate Justice Community Change Grants Program. The proposed partnership included solar photovoltaic development, a microgrid feasibility study, and Route 11 seawall improvements.

Stakeholder Relations and Public Trust

- Maintained productive relationships with the Board of Directors, Governor and Lieutenant Governor, legislative oversight, federal and military partners, Port users, tenants, carriers, and the broader maritime community.
- Continued reviewing lease administration, tenant compliance, billing practices, and Port property utilization while recognizing commercial management as an area requiring stronger internal ownership and accountability.
- Maintained transparent public reporting and received the Port's fourth Certificate of Excellence in Citizen Centric Reporting from the Association of Government Accountants in January 2025.
- Established a Lease Credit Offset Program with Black Construction Corporation pursuant to Public Law 38-26 and Board Resolution No. 2025-23. The Board authorized up to $1 million in eligible tenant funded infrastructure improvements at designated Port properties, subject to Port authorization, technical verification, financial validation, and the governing agreement.
- Used the Port's 50th anniversary to recognize employees, retirees, Port users, government leaders, maritime partners, and the community while focusing attention on preparing the institution for its next 50 years.

Strategic Leadership and Institutional Development

- Implemented the Look Ahead 2025 framework around infrastructure, operational efficiency, equipment reliability, workforce development, financial sustainability, technology, environmental stewardship, commercial management, and national readiness.
- Continued shifting the Port from reliance on individual intervention toward stronger policies, controls, documented processes, and management systems designed to endure beyond any individual administration.
- Became the first Port General Manager to earn both the Maritime Port Manager and Maritime Port Executive professional certifications through the International Association of Maritime and Port Executives.

Overall Assessment

Calendar Year 2025 represented substantial progress in the Port's institutional development. Financial credibility was maintained, modernization continued, federal partnerships produced tangible investment, personnel governance strengthened, and the Port's role in Guam's economic security and national readiness continued to grow.

The record also identifies areas requiring continued attention. Aging equipment and infrastructure remained significant concerns. Technology modernization continued. Commercial administration required improvement. Management accountability below the executive level needed strengthening. Several major capital initiatives appropriately remained multiyear efforts. These continuing challenges are important to the evaluation. They demonstrate that CY2025 was not simply a year of accomplishments, but a year in which management identified weaknesses, implemented corrective measures, and established stronger systems for continued improvement.
Conclusion Calendar Year 2025 was marked by substantial achievement and continued institutional development. The Port maintained financial credibility, advanced infrastructure and equipment modernization, secured federal investment, strengthened personnel governance, expanded sustainability and resilience efforts, and reinforced its role in Guam's economic security and national readiness. The Port also took significant steps to address its long term financial and operational needs through the tariff petition, bond defeasance, federal grant development, and stronger institutional policies. Most importantly, the Port continued moving beyond correcting individual problems toward building durable systems, clearer accountability, and stronger institutional capacity. As the Port marked its 50th anniversary, its focus increasingly shifted toward ensuring that the organization remains financially responsible, operationally capable, resilient, accountable, and prepared to serve Guam for the next 50 years.

PART IV: OVERALL PERFORMANCE EVALUATION RATING

☒	**Exceptional Performance**
☐	Superior Performance
☐	Average Performance
☐	Acceptable Performance
☐	Needs Improvement

PART V: PERFORMANCE DEVELOPMENT PLAN

In the blocks below, the Board of Directors should make specific recommendations designed to identify strategies to enhance the General Manager's current competencies (first block) or correct performance issues (second block).

Professional Growth Strategies: Continue expanding engagement with national and international maritime, infrastructure, defense, and transportation organizations to strengthen the Port's institutional capacity, federal partnerships, modernization program, to ensure port readiness. Continue developing management and organizational succession at all levels of the chain of command, so that institutional knowledge and management capacity are increasingly distributed throughout the organization. Remedial Strategies: Continue strengthening management accountability and ownership, including within the Commercial Division, technology modernization, equipment management, capital improvement planning, project execution, and other areas where matters should ordinarily be resolved at the division level, through cross divisional collaboration, or at the Deputy General Manager level. At the same time, ensure that the General Manager and the Board receive timely updates when appropriate or required. Emphasize clear assignments of responsibility, measurable performance expectations, timely follow through, and the continued development of management capacity among division heads and other levels of the chain of command. Review the status and continuing requirements of the Territorial Transportation and Communications Coordinating Council and determine the steps necessary to reconstitute and convene the Council consistent with 12 GCA § 10113.

PART VI: SIGNATURES:

The Chairperson shall complete the evaluation and performance interview and present the evaluation and recommended performance rating to the Board of Directors at its next regular meeting for review and disposition. If adopted by the Board, the evaluation shall become final and shall be executed by the Chairperson and the General Manager in accordance with the Port's Personnel Rules and Regulations and applicable Guam law.

The General Manager's signature acknowledges that the General Manager was afforded the opportunity to review the evaluation and discuss it with the Chairperson and the Board of Directors. The General Manager's signature does not necessarily indicate agreement with the evaluation or the final performance rating adopted by the Board. Comments by the General Manager are optional.

Acting Board Chairperson's Signature:	**Date:**
Employee's Signature:	**Date:**

Geneal Manager's comments: Thank you for the evaluation and for recognizing the work accomplished in 2025. These accomplishments reflect the work of our employees, management team,	**Date:**

Board, local and federal government leaders, Port users, and private sector partners. Our employees are the backbone of the Port and the guardians of the supply chain for Guam and our neighboring islands. Our commitment to them must be demonstrated in practical ways. This includes ensuring that annual increments, biweekly payroll, and overtime are paid accurately and on time; investing in their safety, training, and professional development; recognizing their service; and promoting from within whenever qualified employees are available so they have real opportunities for advancement. The Port cannot fulfill its mission without their dedication and hard work. There is still more work to do, especially with the installation of three new STS gantry cranes, wharf service life extension, facility rehabilitation, technology and cybersecurity, equipment reliability, commercial lease management, and other major capital projects. I remain committed to working with the Board, our division heads, employees, local and federal government partners, Port users, and private sector leaders to address these areas and keep the Port strong and moving forward. Port readiness remains central to this work. Our cranes, wharves, fuel infrastructure, workforce, and operating systems must be ready to support commerce, strengthen national security, protect Guam's energy security, and contribute to the broader national goal of energy dominance. Our responsibility is not simply to manage the Port from year to year. It is to continue building an institution that will outlast us and leave the Port stronger than we found it.	

PART VII: BOARD ACTION

At a duly noticed meeting held on August 31, 2026, the Board of Directors reviewed the General Manager's performance evaluation and recommended overall performance rating.

The Board took the following action:

[ ] Adopted the evaluation and rating as presented
[ ] Adopted the evaluation and rating as amended
[ ] Did not adopt the evaluation and rating

Final Overall Performance Rating:

[ ] Exceptional Performance
[ ] Superior Performance
[ ] Acceptable Performance
[ ] Needs Improvement
[ ] Average Performance

Vote Count: Yes _____ No _____ Abstained _____ Absent _____

Frank P. Arriola, Board Chairperson's Signature:	**Date:**
Fe Valencia-Ovalles, Board Secretary's Signature:	**Date:**

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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

August 31, 2026

MEMORANDUM

To: Board of Directors

From: Rory J. Respicio, General Manager Rory Respicio

Subject: 2025 Performance Evaluation, Dominic G. Muna, Deputy General Manager for Operations

Håfa Adai! I have completed the 2025 performance evaluation of Mr. Dominic G. Muna, Deputy General Manager for Operations. Based upon my assessment of his performance during the evaluation period and his overall contribution as a member of executive management, I have rated Mr. Muna's performance as Outstanding.

My assessment considers the totality of Mr. Muna's responsibilities and contribution to the Port. During the evaluation period, he continued providing executive oversight and support across the Port's operational functions while the organization managed equipment reliability challenges, vessel and cargo activity, staffing requirements, emergency preparedness, and significant modernization priorities.

Mr. Muna brings substantial operational experience and institutional knowledge to his position. His familiarity with the Port, its operations, its people, and its institutional history provides continuity that is particularly valuable at the executive management level.

Just as importantly, my assessment considers Mr. Muna's contribution beyond the operational divisions formally assigned to him. He consistently makes himself available to fulfill outside obligations, represent the Port, and cover commitments when competing responsibilities prevent my direct participation. I can rely upon him to step forward when needed, exercise appropriate judgment, and represent the Port and its interests appropriately.

That level of trust matters to me as General Manager and is a significant factor in my assessment of his overall performance.

An Outstanding rating does not suggest that there are no opportunities for continued growth. Mr. Muna's evaluation identifies areas where I believe his experience can be applied even more effectively, particularly in anticipating operational and equipment issues, strengthening accountability and follow through among managers, bringing significant matters forward early with appropriate analysis and recommendations, and transferring his substantial institutional knowledge to division heads, supervisors, and emerging leaders.

These areas do not diminish my overall assessment. They reflect the continuing expectations I place upon an experienced Deputy General Manager and my confidence in his ability to continue growing in the position. The measure of executive leadership is not simply the ability to resolve individual problems, but also the ability to develop managers, strengthen systems, exercise sound judgment, and leave the institution better prepared for those who will eventually assume our responsibilities.

The evaluation period also coincided with the Port Authority of Guam's 50th anniversary. That milestone provided an appropriate opportunity to recognize the value of institutional continuity while also looking toward the Port's future. Mr. Muna's years of service and operational experience are institutional assets, and I believe an important part of his continuing leadership will be ensuring that the knowledge and judgment developed through that experience are passed to the next generation of Port leadership.

I have emphasized throughout my tenure that we are one team, One Port, with one goal. Mr. Muna has demonstrated through his dependability, accessibility, institutional knowledge, and willingness to step forward when the organization requires it that he understands that responsibility.

For these reasons, I believe an overall rating of Outstanding Performance appropriately reflects Mr. Muna's performance and contribution during the evaluation period.

I respectfully submit Mr. Muna's completed 2025 performance evaluation to the Board of Directors. *Si Yu'os ma'ase!*

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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

August 26, 2026

MEMORANDUM

To: Dominic G. Muna, Deputy General Manager for Operations

From: Rory J. Respicio, General Manager Rory Respicio

Subject: Performance Evaluation – January 2, 2025 to January 1, 2026

Under Title 12 Guam Code Annotated, Chapter 10, Section 10111(c), and Policy Memorandum 09-04, the Board of Directors extends performance evaluation requirements to the Deputy General Manager. This evaluation covers your performance during 2025 and outlines your key responsibilities, accomplishments, and areas of continuous improvement.

The following summarizes your areas of responsibility and significant accomplishments during the evaluation period. These accomplishments reflect both your individual contribution and the collective efforts of the divisions under your oversight.

Throughout 2025, you continued to provide stability, institutional knowledge, and operational experience to the Port's executive management team. You remained accessible when operational matters required executive involvement and provided continuity across the operational functions assigned to you.

Just as importantly, your contribution extends beyond your formal operational portfolio. You have consistently made yourself available to fulfill outside obligations, represent the Port, and cover commitments when competing responsibilities prevent my direct participation. Your institutional knowledge and dependability give me confidence that the Port will be appropriately represented and its interests advanced.

That trust and dependability are important to me as General Manager and are significant factors in my assessment of your overall performance.

Areas of Responsibility and General 2025 Accomplishments

Throughout the evaluation period, you continued to provide executive oversight and support across the Port's operational functions, including Operations, Equipment Maintenance, Stevedoring, Terminal, Transportation, Safety, Harbor Operations, Facilities, and related areas responsible for maintaining the movement of vessels and cargo through the terminal.

Your institutional knowledge and familiarity with the practical demands of Port operations provided important continuity as the organization managed equipment reliability, vessel activity, cargo movement, staffing requirements, safety, emergency preparedness, and other operational demands.

You remained accessible when matters required executive involvement and assisted in coordinating responses when issues crossed divisional responsibilities.

You generally provided division heads appropriate latitude to manage their responsibilities while remaining available when executive involvement was necessary. This balance is important. Managers should have the authority to manage their respective functions, while executive management must remain prepared to provide direction and coordination when circumstances require it.

Equipment reliability remained a continuing challenge during the evaluation period, particularly given the age and condition of portions of the Port's cargo handling equipment. Your involvement helped support coordination between operational requirements and maintenance priorities. Continued attention to preventive maintenance, parts availability, technical capacity, and coordination between Equipment Maintenance and the operational divisions remains important to maintaining operational readiness.

You also continued to support the Port's safety, harbor, emergency preparedness, and readiness responsibilities. Your operational experience provides valuable perspective when circumstances require coordination among multiple Port divisions and outside agencies.

Taken together, your oversight of these functions contributed to the Port's ability to maintain operational continuity while addressing immediate operational demands and continuing its long-term modernization efforts.

Executive Support and Institutional Value

One of your strongest contributions during the evaluation period has been your sense of responsibility to the organization.

That responsibility extends beyond the functions formally assigned to you. You consistently make yourself available to assume outside obligations, represent the Port, and fulfill commitments when competing responsibilities prevent my attendance.

Your institutional knowledge, experience, judgment, and familiarity with the Port allow me to rely upon you in circumstances where executive representation and continuity are required. Your dependability gives me confidence that the Port will be appropriately represented and its interests advanced.

That trust and dependability are important to me as General Manager and are significant factors in my assessment of your overall performance.
Executive responsibilities cannot always be captured by an organizational chart. They require flexibility, judgment, and an understanding that the needs of the institution sometimes extend beyond assigned portfolios. You have consistently demonstrated that understanding.

50th Anniversary and Institutional Continuity

The evaluation period also marked the Port Authority of Guam's 50th anniversary, an important milestone in the history of the organization.

Your institutional experience was particularly meaningful during this milestone year. You have served through different periods of leadership, operational challenges, emergencies, and institutional change. That experience provides continuity and perspective that cannot be measured solely through individual assignments.

The anniversary provided an opportunity to recognize those who built the Port while also reminding us of our responsibility as current leadership to prepare the institution for those who will follow us.

Your experience is an institutional asset. An important part of your continued leadership will be passing that experience and institutional knowledge to the managers and employees who will carry the Port forward.

Continuous Improvement and Ongoing Expectations

Executive leadership requires continuous growth as the Port's operational environment and responsibilities continue to evolve. Your experience and institutional knowledge provide a strong foundation for continuing to strengthen your contribution as Deputy General Manager.

The following reflect ongoing expectations associated with your responsibilities and areas where your experience and leadership can continue to strengthen the organization.

Operational Leadership and Readiness

Your operational experience places you in a strong position to identify emerging equipment, maintenance, staffing, and readiness concerns before they become larger operational issues. I encourage you to continue applying that experience proactively, particularly in coordinating Operations and Equipment Maintenance, monitoring equipment availability and maintenance requirements, and anticipating the operational consequences of equipment or staffing limitations.
That same approach should extend across the operational areas under your oversight. Where an issue crosses divisional responsibilities, I encourage you to continue bringing the appropriate managers together, establishing clarity regarding responsibility and follow through, and helping move matters toward resolution.

The opportunity is not simply to respond effectively when problems arise, but to use your experience to recognize when they are developing and act early.

Executive Leadership, Accountability and Communication

You have demonstrated considerable initiative and dependability, particularly in accepting responsibilities beyond your normal portfolio. I encourage you to bring those same qualities even more consistently to the management of your operational responsibilities.

Division heads should continue to have appropriate authority to manage their respective functions. At the same time, your position allows you to guide them, reinforce accountability, and provide direction when matters are not progressing or coordination is lacking. The objective is not to assume their responsibilities, but to help ensure that the management structure functions effectively.

Significant matters requiring executive consideration should be brought forward early and, whenever possible, include the relevant facts, available alternatives, operational and resource implications, and your recommended course of action. I also value candid advice, including when your judgment differs from mine. There will be occasions when we see an issue differently. I expect you to give me your assessment in those circumstances. That candor strengthens our decision making and ultimately serves the institution.

Leadership Development and Institutional Continuity

You possess substantial institutional knowledge accumulated through years of service to the Port. An important part of your continuing leadership responsibility is transferring that knowledge and judgment to division heads, supervisors, and emerging leaders.

Our objective should be to strengthen the management structure so that issues are identified early, recommendations are developed at the appropriate level, decisions are implemented, and institutional knowledge remains with the Port regardless of who occupies a particular position.

I also encourage you to continue providing the executive support that has distinguished your performance. Your willingness to represent the Port, fulfill outside obligations, and provide continuity when needed remains an important contribution to executive management and one that I value.

Job Specific Performance Objectives

Your job specific performance objectives during the evaluation period centered on maintaining operational continuity and readiness, supporting cargo handling equipment reliability and maintenance, providing effective oversight of the operational workforce and division heads, maintaining safety and emergency preparedness, strengthening coordination across divisions, and supporting the broader responsibilities of executive management.

Overall, you performed these responsibilities at a high level. Your institutional knowledge and operational experience provided important continuity as the Port managed aging equipment, staffing requirements, vessel and cargo activity, and significant modernization priorities. You remained accessible when executive involvement was required and contributed to coordination across operational and supporting functions.

Your willingness to assume responsibilities beyond your formal operational portfolio also remains an important part of your performance. I value knowing that I can rely upon you to represent the Port and fulfill outside commitments when competing responsibilities prevent my participation Continued emphasis should be placed on anticipating operational and equipment issues early, strengthening accountability and follow through among managers, bringing significant matters forward with analysis and recommendations, and transferring your institutional knowledge to those who will carry the Port forward.

General Manager's Assessment

During the evaluation period, we faced significant operational, equipment, infrastructure, and organizational challenges. Through those challenges, you remained a reliable and experienced member of the Port's executive management team.

Your value as Deputy General Manager extends beyond the divisions under your oversight. I value your accessibility, judgment, institutional knowledge, and willingness to step forward when the Port needs you. I also value knowing that when competing responsibilities require me to be elsewhere, I can rely on you to represent the Port appropriately and carry forward our institutional responsibilities.

That level of trust matters to me and is an important part of why I assess your overall performance as Outstanding.

At the same time, my confidence in you is also why I continue to encourage you to exercise your experience and judgment even more fully within your operational responsibilities. You are in a position to anticipate issues, guide managers, strengthen accountability, and help develop solutions at the appropriate level.

The measure of your leadership is not how many problems you personally resolve. It is also reflected in the managers you develop, the judgment you share, the systems you strengthen, and the institutional knowledge you leave behind.

I have emphasized throughout my tenure that we are one team, One Port, with one goal. Our individual responsibilities may differ, but they ultimately serve the same institutional purpose.

As we move beyond the Port's first 50 years, our responsibility is to continue strengthening the institution, developing our people, maintaining accountability, and ensuring that the Port remains prepared to serve Guam and the region well into the future.

Your experience, dependability, and continued leadership remain important to that work. This memorandum will be attached to your performance evaluation to support the overall rating of **Exceptional Performance** and to document the continuous improvement and ongoing expectations associated with your responsibilities as Deputy General Manager.

Si Yu'os Ma'åse' for your dedication, dependability, and continued commitment to the Port and our Port Strong family.

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Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

DEPUTY GENERAL MANAGER PERFORMANCE AND DEVELOPMENT EVALUATION FORM

Name of Deputy General Manager, Operations: Dominic G. Muna	Name of Reviewer/Title: Rory J. Respicio, General Manager
Period Covered: From: January 2, 2025 To: January 1, 2026	Date of Review: August 26, 2026

GENERAL INSTRUCTIONS:

1. This form is to be used for initial and bi-annual performance evaluation for the Deputy General Manager. The performance evaluations are to occur six (6) months into the Deputy General Manager's employment with the Port Authority of Guam and every twelve (12) months thereafter.

2. The ratings to be assigned by the Rater for each individual factor are indicated in Part I; for each individual Performance Objective in Part II; and for the Overall Rating in Part III.

3. The Performance Objectives and factors may be weighted at the Rater's discretion.

4. The Reviewer is the General Manager.

PART I: CORE PERFORMANCE FACTORS

1. The General Manager evaluates the Deputy General Manager's proficiency in the following performance factors using a single rating on the following scale:

   A = Exceptional Performance
   B = Superior Performance
   C = Average Performance
   D = Acceptable Performance
   E = Needs Improvement

Performance Factors	Rater's Rating
1. Leadership Displays courage, passion and caring in work. Sets a professional example. Motivates other to work toward common goals. Uses authority responsibly. Addresses problems proactively. Gains support and seeks buy-in-through participation of others. Demonstrates interest in professional growth of others. Shows good judgment and accepts ownership for decisions in areas of responsibility. **Supportive Information:** ***Please refer to attached memorandum.***	**A**
2. Commitment to the Port's Mission, Vision and Values Articulates or shows appreciation for the importance of shared vision. Demonstrates civility in relations with others. Requires supervised employees to show civility in their relations toward others. Participates regularly in activities beyond immediate areas of responsibility which support the mission of the Port. Demonstrates consideration of the Port's values when making decisions. *(Diversity and civility are examples of University values to be considered.) **Supportive Information:** ***Please refer to attached memorandum.***	**A**
3. Management Practices Demonstrates commitment to good customer services. Demonstrates competency in labor-management relations activities necessary to effectively manage the areas of responsibility. Questions existing practices for continued relevancy. Effectively initiates and promotes necessary change in the areas of responsibility. Sets and enforces performance standards effectively. Recognizes and rewards good performance. Plans effectively and shows good project management skills. Shows awareness of "good practices" for areas of responsibility. Encourages employees to improve performance and grow by actively supporting and encouraging employees to participate in training and development activities. **Supportive Information:** ***Please refer to attached memorandum.***	**A**

Performance Factors	Rater's Rating
4. Relational Skills Works effectively with others. Works collaboratively and negotiates effectively. Maintains confidentiality. Accepts constructive criticism without offense. Demonstrates sensitivity to the rights and opinions of others, even in disagreement. Presents a positive image of the Port to external publics. Respects cultural differences and embraces activities which support a diverse community. **Supportive Information:** ***Please refer to attached memorandum.***	**A**
5. Commitment to Diversity Respects cultural differences and embraces activities which support a diverse community. Utilizes recruitment strategies designed to attract diverse applicant pools. Actively engages in diversity initiatives, such as, mentoring, training and employee networks. Displays a commitment to diversity. **Supportive Information:** ***Please refer to attached memorandum.***	**A**
6. Resource Management Recruits, selects and retains capable, productive employees. Effectively deploys staff, equipment and technology to accomplish work. Shows good stewardship of financial resources. Demonstrates knowledge of budget and use of financial reporting systems. Displays creativity/innovative in managing resources. **Supportive information:** ***Please refer to attached memorandum.***	**B**
7. Communication Skills Shares appropriate information with internal and external audiences in a timely and responsible manner. Manages meetings effectively. Possesses effective listening skills. Articulates clearly and writes effectively. Displays effective presentation skills. **Supportive information:** ***Please refer to attached memorandum.***	**B**

Performance Factors	Rater's Rating
8. Accountability Takes responsibility for fulfilling job duties. Meets attendance and punctuality guidelines. Demonstrates accuracy and thoroughness. Completes work on time. Follows instructions and directions. **Supportive Information:** ***Please refer to attached memorandum.***	**A**
9. Responsiveness/Customer Service Consistently demonstrates respect, responsiveness and professionalism. Provides each customer with the same high quality services. Fosters and models a commitment to customer service. Builds customer and confidence and increases customer satisfaction. Makes customers and their needs a primary focus. Developing and sustaining productive customer relationship. **Supportive Information:** ***Please refer to attached memorandum.***	**A**
10. Decision Making/Problem Solving Identifies and understands issues, problems and opportunities. Make timely and rational decisions based on analysis of relevant information/data Accepts responsibility for decisions and takes proper action when necessary. Uses effectively approaches for choosing a course of action or developing appropriate actions. Takes action that is consistent with available facts, constraints, and probable consequences. **Supportive information:** ***Please refer to attached memorandum.***	**A**
11. Work Environment/Safety Promotes and supports a respectful workplace; comply with laws, policies and procedures. Models ethical behavior and decision making and ensures compliance. **Supportive information:** ***Please refer to attached memorandum.***	**A**

PART II: JOB SPECIFIC PERFORMANCE OBJECTIVES

Instructions: Part II creates the performance deliverable which will be measured. The Deputy General Manager and General Manager should identify below between 5 and 8 significant deliverable in the form of major initiatives or projects. They may include annual program objectives or project-related work. The intent is that there should be some collaboration between the Deputy General Manager and General Manager when assigning the deliverables and they should be prioritized if at all possible, with the most important in block 1, next most important in block 2, etc. If more than 8 deliverables require listing, those in excess of 8 may be listed in the back of the last page. (NOTE: It is typical for some priorities to change over the course of the year, and it also foreseeable that some objectives set at the beginning of the cycle may prove unachievable for reasons outside the Deputy General Manager's control.)

Job Specific Performance Objectives	Rater's Rating
1. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	
2. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	
3. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	

Job Specific Performance Objectives	Rater's Rating
4. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	
5. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	
6. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	
7. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	

Job Specific Performance Objectives	Rater's Rating
8. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	

The Deputy General Manager and the General Manager have met, discussed and agreed to the above initiatives as measurable deliverables for the performance cycle.

Employee' Signature:	**Date:** August 26, 2026
General Manager's Signature:	**Date:** August 26, 2026

PART III: SUMMARY OF OVERALL PERFORMANCE:

The space below is provided for a narrative summary of the Deputy General Manager's performance over the immediate cycle to be completed by the General Manager (Rater).

Please refer to attached memorandum.

PART IV: OVERALL PERFORMANCE EVALUATION RATING: (Please checkmark √)

___X___ Exceptional Performance

________ Superior Performance

________ Average Performance

________ Acceptable Performance

________ Needs Improvement

PART V: PERFORMANCE DEVELOPMENT PLAN:

In the blocks below, the General Manager should make specific recommendations designed to identify strategies to enhance the Deputy General Manager's current competencies (first block) or correct performance issues (second block).

Professional Growth Strategies: *Please refer to attached memorandum.*

Remedial Strategies: *Please refer to attached memorandum.*

PART VI: SIGNATURES:

The Deputy General Manager and General Manager are required to sign the instrument after completing it and concluding the performance interview. The Deputy General Manager is only attesting to having been afforded the opportunity to review the evaluation and discuss the evaluations with the General Manager. The Deputy General Manager's signatures does not necessarily indicate that he/she agrees with the General Manager's measurement of his/her performance. Employee's comments are optional.

General Manager's Signature:	**Date:** August 26, 2026
Employee' Signature:	**Date:** August 26, 2026

Employee comments:	**Date:**
I would like to discuss with the General Manager: [ ] Yes [ ] No	
General Manager's Signature:	

August 31, 2026

MEMORANDUM

To: Board of Directors

From: Rory J. Respicio, General Manager

Subject: 2025 Performance Evaluation, Deputy General Manager, Administration & Finance

Håfa Adai! I am transmitting for the Board's consideration the 2025 performance evaluation of Pacifico R. Martir, Deputy General Manager for Administration and Finance.

Mr. Martir's evaluation reflects my assessment of his individual performance during the rating period, including his responsibilities for Finance, Marketing, Corporate Services, Information Technology, Human Resources, Procurement & Supply, Commercial, and General Administration.

The Board will recall that Mr. Martir received a substantially stronger evaluation for the prior rating period. In that evaluation, I recognized his contributions while also identifying several areas requiring continued attention, including Commercial Division reforms, revenue and tariff compliance, digitization, administrative processes, cross divisional coordination, and consistent follow through.

More importantly, I made clear in his prior evaluation that his primary responsibility as Deputy General Manager was to assist me in executing Board policies and my directives as General Manager, rather than establishing priorities independent of that direction.

The 2025 evaluation does not apply a new standard to Mr. Martir. It assesses whether the expectations previously communicated to him resulted in the level of execution and improvement expected during the subsequent rating period.

There were significant accomplishments during 2025 within the divisions under Mr. Martir's purview, and those accomplishments are recognized in the attached evaluation. I have also recognized areas in which Mr. Martir provided assistance and contributed to the work of the Port.

At the same time, I believe it is important to distinguish the accomplishments of the divisions and their employees from Mr. Martir's individual performance as Deputy General Manager.

My assessment identified recurring concerns involving execution, dependability, timely communication, judgment, accountability, role clarity, and follow through. In several instances, matters for which direction had already been provided required additional intervention from my office before they moved forward or were resolved. There were also instances in which significant matters were not elevated to me timely, established management decisions did not receive the necessary support for implementation, and attention was directed toward matters outside his assigned purview while responsibilities within his own areas remained unresolved.

Commercial Division is one of the clearest examples. The deficiencies within Commercial had already been identified through a comprehensive analysis I conducted and corrective direction had been established. Mr. Martir entered the rating period with direct responsibility for Commercial and continued as Person in Charge through May 22, 2025. Despite the framework and direction already provided, significant deficiencies remained unresolved during that period. Subsequent changes in the division demonstrated measurable progress in several of the areas that had previously been identified for correction.

My concerns are not based on a single incident. Nor is this evaluation intended as disciplinary action. It reflects the cumulative performance record for the rating period and whether Mr. Martir met the expectations of the Deputy General Manager position.

I considered both sides of that record carefully. Mr. Martir continued performing responsibilities of his position and contributed to the Port's work. For that reason, I do not believe the record warrants any rating higher than an assessment above Acceptable Performance/ Needs Improvement.

However, I also do not believe the record supports the stronger rating he received for the prior period. The recurring concerns documented in the evaluation are significant and involve responsibilities central to the purpose of the Deputy General Manager position.

Accordingly, I have assessed Mr. Martir's overall performance for the 2025 rating period as Acceptable Performance, with Needs Improvement identified in the areas documented in the attached evaluation.

This assessment is intended to be fair to Mr. Martir while also preserving the standard expected of the position. A Deputy General Manager should be able to provide candid advice, raise concerns, and disagree with the General Manager when appropriate. I expect and welcome that advice. Once a decision has been made, however, I expect the Deputy General Manager to assist in carrying it out, communicate it professionally, ensure appropriate follow through within the divisions under his purview, and bring problems to my attention before they require intervention or come to me from another source.

Although this evaluation is being completed in 2026, the expectations discussed in the evaluation are not being imposed retroactively. They were communicated through Mr. Martir's prior evaluation, subsequent memoranda and directives, and discussions during the rating period. His 2026 evaluation will therefore consider whether the concerns previously identified continued, improved, or were resolved.

I respectfully submit Mr. Martir's 2025 performance evaluation to the Board for its consideration and appropriate action, including the corresponding increment, if any, associated with the rating under the Port's applicable performance evaluation procedures. *Si Yu'os ma'ase!*

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Website: www.portguam.com

Lourdes A. Leon Guerrero
Governor of Guam
Joshua F. Tenorio
Lieutenant Governor

August 26, 2026

MEMORANDUM

To: Pacifico R. Martir, Deputy General Manager, Administration & Finance

From: Rory J. Respicio, General Manager Rory Respicio

Subject: Performance Evaluation – July 6, 2024 to July 5, 2025

Håfa Adai! Under Title 12 Guam Code Annotated, Chapter 10, Section 10111(c), and Policy Memorandum 09-04, the Board of Directors extends performance evaluation requirements to the Deputy General Manager. This evaluation addresses your performance as Deputy General Manager for Administration and Finance during the 2025 rating period and outlines your areas of responsibility, accomplishments, areas requiring improvement, and expectations moving forward.

Your 2024 performance evaluation recognized your contributions across the divisions under your purview and provided you considerable opportunity to continue developing in the position. That evaluation also identified several areas requiring continued attention, including Commercial Division reforms, financial and tariff compliance, digitization, administrative processes, cross divisional coordination, and consistent follow through. Most importantly, I made clear that your primary responsibility as Deputy General Manager is to assist me in executing Board policies and my directives as General Manager rather than establishing priorities independent of that direction.

The 2025 rating period must therefore be evaluated against those expectations. The question is no longer simply whether you participated in initiatives or whether accomplishments occurred within the divisions assigned to you. It is whether the expectations established in your prior evaluation translated into measurable improvement in your own performance as Deputy General Manager.

In several important areas, the expected improvement did not occur.

While you continued to perform the responsibilities of your position and contributed in several areas, recurring concerns involving execution, dependability, communication, judgment, accountability, role clarity, and follow through prevent me from assessing your 2025 performance at the level previously awarded.

Areas of Responsibility and General 2025 Accomplishments

The following outlines the divisions and functions assigned to you as Deputy General Manager for Administration and Finance during the 2025 rating period. In evaluating these areas, I have considered both the accomplishments achieved by the employees and managers within your purview and your individual contribution as Deputy General Manager.

This distinction is particularly important for this rating period. Your 2024 evaluation recognized substantial progress and gave you credit for assisting in the execution of several initiatives. It also identified specific areas requiring continued attention and follow through. Your 2025 evaluation therefore considers not simply whether work occurred within your assigned divisions, but whether you took ownership of the matters assigned to you, carried my direction through those divisions, identified problems before they required my intervention, and produced measurable results.

Finance

The Finance Division continued to perform strongly during the rating period, supporting financial reporting, budgeting, audit readiness, receivables and payables, insurance, tariff compliance, and the Port's overall financial position.

You continued to work with Finance on matters falling within your administrative responsibilities. However, several of the Port's most significant financial initiatives continued to require my direct involvement with the Chief Financial Officer and Finance staff. This included the 2025 Tariff Schedule Adjustment Petition, which was developed under my direction with the CFO and Finance team. The Port's FY2025 report similarly attributes development of the petition to the General Manager's direction and the Finance team.

Revenue integrity was also not a new issue. Your 2024 evaluation specifically directed continued work on underbillings and alignment of operational information with financial systems. The expectation for 2025 was therefore not simply participation in Finance matters, but ensuring that previously identified revenue issues were followed through and corrected.

Your responsibility as Deputy was to help ensure that Finance related directives were executed across the divisions under your purview, particularly where Finance depended upon Commercial, Procurement, IT, or other administrative divisions for information or corrective action.

Marketing

Marketing had a significant year, most notably through the Port's 50th Anniversary and the continued communication of Port accomplishments, activities, and information to employees, stakeholders, and the public.

The 50th Anniversary was an important institutional accomplishment and reflects considerable work by Marketing and the employees involved in planning and carrying out the celebration. I recognize that accomplishment as part of the performance of a division under your purview. I do not, however, attribute the success of the 50th Anniversary to you simply because Marketing reported through your office.

One area where I did see improvement in your understanding involved the Port's monthly newsletter. I am pleased that you came to understand why printed copies should be made available to all employees. This was never simply an issue of "saving paper." The newsletter is an organizational communication tool. It helps our employees understand what we are accomplishing, where we are going, and how their work contributes to the Port's objectives.

Going forward, I expect your involvement with Marketing to be measured by how you help the division advance established organizational priorities, rather than by the accomplishments the Marketing staff produces independently.

Corporate Services

Corporate Services is an area where the 2025 evaluation needs to go beyond administrative coordination.

During the rating period, I continued to address organizational and personnel matters involving Corporate Services Manager Vivian Leon and the responsibilities assigned within that structure. These matters required direction from my office concerning organizational responsibilities, accountability, and the proper implementation of established management decisions.

You were expected to assist me in carrying those decisions through. That included helping affected managers understand the General Manager's Desk Audit Policy and why the policy examined the work actually being performed rather than simply accepting historical assignments, titles, or organizational practices.

The concern was not whether you understood that a directive had been issued. It was whether you consistently helped me implement it.

There were occasions when matters involving Corporate Services required additional explanation, intervention, or direction from me after I believed the management direction had already been established. As Deputy General Manager responsible for this area, your role was to help resolve those matters through the management structure, not simply transmit information between my office and the division.

This distinction became increasingly important during 2025. A Deputy General Manager must be able to take a decision from my office, explain its organizational purpose, address legitimate questions from the affected division, and then ensure that the decision is carried out.

Information Technology

The Information Technology Division continued to perform important work involving cybersecurity, EnterpriseOne, the Terminal Operating System, equipment deployment, licensing, infrastructure, and support for Port operations.

The FY2025 year end review reflects that IT maintained essential services despite staffing and funding constraints, advanced TOS procurement, distributed equipment through the IDIQ procurement, completed negotiations for the Port's new email project, renewed TOS maintenance and licensing, and continued cybersecurity coordination with the U.S. Coast Guard.

Those are principally accomplishments of the IT Division and its employees.

Your responsibility was to support their execution by resolving administrative obstacles and ensuring that matters requiring coordination with Finance, Procurement, Human Resources, General Administration, or other divisions did not stall.

Where IT projects required management intervention, I expected you to help move those matters toward resolution rather than merely report their status. This remains an important distinction for your 2026 evaluation.

Human Resources

Human Resources requires a more critical assessment.

At my direction and with my direct involvement, the Port continued implementing reforms involving recruitment, internal pre audits, practical assessments, personnel processes, cross training, succession planning, and workforce accountability. The FY2025 review confirms that HR pre audits and skills testing became standardized during the year.

These reforms did not originate with you. Your responsibility was to help me execute them through Human Resources.

That responsibility was particularly important because some of these reforms challenged practices that had existed for years. They required consistent application, not selective enforcement depending upon the employee involved or the difficulty of the personnel issue.

I had concerns during the rating period that you were not always willing to hold employees to the same standard. Fairness does not require identical treatment when circumstances differ. It does require that differences in treatment have a legitimate and defensible basis.

I also had to become directly involved in personnel matters that should have been elevated to me earlier or handled more consistently through the administrative chain. This contributed to a recurring concern in your evaluation: I cannot effectively address a problem if the Deputy responsible for the area does not bring it to me until I learn about it from someone else.

Your role is not to protect employees from difficult management decisions or to avoid personnel issues because they may create disagreement. Your responsibility is to ensure that our Personnel Rules and Regulations, policies, and management decisions are applied fairly, consistently, and lawfully.

Procurement & Supply

Procurement continued to process acquisitions necessary for the Port's operations and modernization.

Your responsibility was to assist Procurement in carrying out approved priorities while ensuring compliance with procurement law and established procedures. That responsibility includes identifying legitimate procurement concerns and bringing them forward.

It does not include continuing to obstruct an approved management decision after those concerns have been considered and resolved.

The filing system provides a specific example. The acquisition was an approved budget item intended to advance the Port's records management and digitization objectives. You nevertheless attempted to prevent or delay the acquisition after I had determined that it should proceed.

I welcome your advice, including advice that disagrees with my initial position. But there is a point at which advice ends and execution begins. Once I have heard the concern, considered it, and made the decision, I expect my Deputy to assist in implementing that decision.

This was not simply a procurement issue. It reflected the larger concern regarding your understanding of the Deputy General Manager's role that I had already raised in your 2024 evaluation.

Commercial Division

Commercial is the clearest example of why your 2025 evaluation differs substantially from the evaluation you received for 2024.

The problems within Commercial were already known entering this rating period. I had personally undertaken a comprehensive analysis of the division and prepared the 29 page Commercial Division Framework identifying overlapping responsibilities, lease compliance problems, weaknesses in revenue administration, tariff interpretation issues, workflow deficiencies, tenant management concerns, documentation gaps, and the need for stronger coordination with Finance, Legal, Operations, IT, and other divisions.

Your 2024 evaluation gave you credit for beginning to execute that framework, but expressly characterized the work as incomplete and requiring continued follow through. You therefore entered 2025 with both the problems and the corrective direction already identified.

You also continued as Person in Charge of Commercial through May 22, 2025.

Yet the same fundamental gaps remained.

There continued to be unresolved lease matters, delinquent accounts, documentation deficiencies, weaknesses in upward reporting, workflow problems, and matters requiring coordination with Finance and Legal. Too often, I remained the person identifying the problem, conducting the analysis, establishing the corrective direction, or asking why the matter had not been resolved.

This concern was not limited to the Commercial employees themselves. It also involved the administrative oversight above the division. Issues involving the division's structure and the responsibilities of Corporate Services Manager Vivian Leon required my intervention and direction. Those issues exposed gaps in how Commercial responsibilities were being assigned, supervised, reported, and held accountable. As the Deputy General Manager responsible for both Commercial and Corporate Services, and while serving as Person in Charge of Commercial, I expected you to identify and address those gaps rather than leave them for my office to discover and resolve.

The significance of this becomes clearer after the change in Person in Charge.

Following Leo Espia's appointment on May 22, the division implemented structured delinquency notifications, cross referenced tenant payments with Finance, strengthened marina inspections and vessel tracking, completed Oracle E1 training, digitized tenant files, standardized lease and permit templates, instituted weekly progress reports and division meetings, and established formal protocols to ensure Commercial matters were elevated to management.

Those changes matter because many directly addressed deficiencies that had already been identified while you were responsible for the division.

I do not conclude that every improvement resulted solely from the change in Person in Charge. Nor do I disregard whatever assistance you provided during the transition. But I cannot ignore the contrast. The division began demonstrating measurable movement on matters that had remained unresolved despite the corrective framework already provided.

Commercial therefore weighs significantly in this evaluation. You were not being asked to discover the problem or develop the solution. Much of that work had already been done for you. You were being asked to execute.

That execution did not occur at the level I expected.

General Administration

General Administration continued supporting administrative services, records management, digitization, and other functions necessary for the Port's daily operations. Digitization was not a new expectation. Your 2024 evaluation specifically identified continued digitization and automation as priorities for the next rating period.

The filing system was intended to advance that objective. It had been included as an approved budget item, yet you attempted to prevent or delay its acquisition even after I directed that the matter proceed. That example is important because it demonstrates that my concern is not simply whether projects under your purview were completed. It is whether you were helping me implement established priorities.

You are expected to question an initiative when you believe there is a legitimate problem. You are expected to tell me why. You are expected to provide alternatives. You are not expected to substitute your priorities for mine after I have made the decision. That expectation was expressly communicated to you in your 2024 evaluation. It remained an issue during 2025.

Communication and Candor

You have expressed to me that there are times when you are reluctant to bring matters to my attention because you believe I may become upset.

I want to address that directly.

As Deputy General Manager, I expect you to bring problems, disagreements, emerging issues, and bad news to me. I would rather know about a problem early, when we still have an opportunity to address it, than learn about it after the matter has grown or from another employee, division, or outside party.

There have been occasions when my frustration resulted not from the underlying issue but from learning about it from someone else and then having to raise it with you. At that point, my concern is no longer limited to the original problem. I also have to question why the Deputy General Manager responsible for the matter did not make me aware of it.

I expect candid advice. I expect you to disagree with me when you believe there is a better course of action. But candid advice requires communication, particularly when the information may be difficult to deliver.

Responsibility for Management Decisions

I have also received feedback on multiple occasions that, when communicating management direction, you have characterized decisions by saying words to the effect of, "that's what the boss wants."

There are circumstances when it is appropriate to explain that a directive originated from the General Manager. My concern is when that characterization has the effect of distancing yourself from the decision rather than helping employees understand and carry it out.

You do not have to personally agree with every decision I make.
You do have a responsibility to provide me your advice before a decision is made and then faithfully execute that decision once it has been made.

Employees take their cues from management. Characterizing an established decision simply as something "the boss wants" can communicate that you do not share responsibility for its implementation. That undermines the management structure and makes execution more difficult.
If you disagree, bring the disagreement to me. Do not transfer that disagreement to the employees responsible for carrying out the decision.

Role Clarity

Your 2024 evaluation made clear that your responsibilities centered on Administration and Finance. Nevertheless, concerns continued during 2025 regarding your involvement in matters outside your assigned purview while matters within your own areas remained unresolved or required follow through.

I expect you to remain informed about the Port as a whole and collaborate with the Deputy General Manager for Operations & Maintenance and other managers when coordination is necessary. That is part of One Port.

Collaboration, however, does not eliminate accountability.

If you believe a matter outside your purview requires my attention, bring it to me. If I direct you to become involved, I expect you to do so. Otherwise, your first responsibility is to ensure that the divisions and matters assigned to you receive the attention they require.

The Standard Expected of a Deputy General Manager

This evaluation also raises an institutional concern.

The manner in which a Deputy General Manager performs the position establishes an example for those who may occupy these positions in the future.

I do not want the example established that a Deputy may selectively carry out the General Manager's direction, substitute personal priorities for established organizational priorities, distance himself from management decisions, inconsistently apply accountability, delay communicating problems because the discussion may be difficult, involve himself unnecessarily in responsibilities assigned elsewhere, or require repeated intervention before assigned matters are completed.

That is not the standard I want established for future Deputy General Managers.

A Deputy should provide candid advice, identify problems, question assumptions, and offer alternatives. I expect that from you. Once a decision is made, however, the Deputy must help carry it out.

We are building an institution that must outlast all of us. The example established today influences how future managers understand their authority, responsibilities, and accountability.

Performance Expectations and 2026 Evaluation

The concerns identified in this evaluation are not new expectations being established after the fact. They are consistent with expectations previously communicated through your 2024 evaluation and reinforced through subsequent memoranda, directives, assignments, and discussions during 2025 and 2026. I have been clear and consistent about what I expect from you as Deputy General Manager for Administration and Finance.

As we approach the conclusion of the 2026 rating period, your performance will be assessed based on whether you have demonstrated measurable improvement in the following areas:

- **Execution, Dependability and Follow Through:** Carry Board policies, my directives, and assigned responsibilities through completion without requiring repeated intervention from my office. This includes ensuring that matters entrusted to the divisions under your purview produce results rather than simply being referred or discussed.
- **Communication and Judgment:** Bring significant issues, emerging problems, disagreements, and risks to me promptly. I expect candid advice before decisions are made. Once a decision is made, I expect you to support and execute it rather than distance yourself from the decision or allow disagreement to interfere with implementation.

- **Accountability and Consistency:** Apply organizational standards fairly and consistently and hold managers and employees under your purview accountable for their responsibilities. Similar circumstances should be treated consistently unless there is a legitimate reason for different treatment.
- **Role Clarity:** Maintain appropriate focus on Finance, Marketing, Corporate Services, Information Technology, Human Resources, Procurement & Supply, Commercial, and General Administration. Collaboration across the Port is expected, but it should not come at the expense of responsibilities assigned directly to you.
- **Corrective Action and Administrative Oversight:** Ensure that previously identified deficiencies within Commercial, Human Resources, Procurement, General Administration, and other areas under your purview are actually addressed. This includes Commercial lease and revenue issues, personnel accountability, approved procurements, digitization, records management, EnterpriseOne, and other administrative initiatives that have been the subject of prior direction.
- **Measurable Results:** Your evaluation will not be based simply on whether activity occurred within the divisions under your purview. It will consider what you personally did as Deputy General Manager to advance established priorities, whether matters previously brought to your attention were resolved, and whether your involvement produced measurable results.

These expectations have been communicated over time and should be familiar to you. Accordingly, your 2026 evaluation will assess your performance against the direction and opportunities for improvement already provided, including whether the concerns identified in this evaluation continued, improved, or were resolved during 2026.

Job Specific Performance Objectives

The performance objectives established for this rating period included responsibilities relating to Finance and revenue integrity, Commercial administration and tenant relations, workforce development, procurement and administrative support, technology integration, risk management, and the effective administration of the divisions under your purview. These objectives were supplemented during the rating period by specific management directives, assignments, corrective memoranda, and discussions addressing execution, communication, accountability, judgment, and follow through.

As discussed throughout this evaluation, performance against these objectives was mixed. Progress occurred in certain areas through the work of the respective divisions and with your assistance. However, several significant matters required my direct intervention, repeated direction, or reassignment to move forward or reach resolution. The concerns were particularly evident in Commercial administration, execution and follow through, communication of significant matters, accountability for assigned responsibilities, and implementation of management direction.

Accordingly, the ratings reflected in Part II should be read together with the specific examples and findings contained in this memorandum.

Overall Performance Assessment: D/E, Acceptable Performance / Needs Improvement

Your performance during the rating period falls between Acceptable Performance and Needs Improvement. You provided support in several areas under your responsibility and contributed to the work of the Port. However, significant concerns remained regarding dependability, communication, judgment, accountability, execution, and follow through. These concerns are particularly significant because they involve responsibilities fundamental to the Deputy General Manager position.

Throughout the rating period, expectations were communicated through management direction, memoranda, discussions, and specific assignments. Despite these efforts, matters within your areas of responsibility too frequently required my direct intervention to move forward, correct course, or reach completion. In several instances, the concern was not simply the outcome of an assignment, but whether management direction was carried out consistently and whether significant issues were brought to my attention in a timely manner.

The D/E rating recognizes that you continued to provide assistance and performed acceptably in certain areas while also recognizing that your overall performance requires measurable improvement. Going forward, improvement must be demonstrated through greater dependability, timely communication, consistent execution of management direction, appropriate exercise of judgment, and greater accountability for matters assigned to you and the divisions under your purview.

This memorandum will be attached to your performance evaluation to support the overall rating of **D/E, Acceptable Performance / Needs Improvement**, and to provide specific performance expectations for the 2026 rating period. *Si Yu'os Ma'åse.*

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Lourdes A. Leon Guerrero
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Joshua F. Tenorio
Lieutenant Governor

DEPUTY GENERAL MANAGER PERFORMANCE AND DEVELOPMENT EVALUATION FORM

Name of Deputy General Manager, Administration & Finance Pacific R. Martir	Name of Reviewer/Title: Rory J. Respicio, General Manager
Period Covered: From: July 6, 2024 To: July 5, 2025	Date of Review: August 26, 2026

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1. This form is to be used for initial and bi-annual performance evaluation for the Deputy General Manager. The performance evaluations are to occur six (6) months into the Deputy General Manager's employment with the Port Authority of Guam and every twelve (12) months thereafter.
2. The ratings to be assigned by the Rater for each individual factor are indicated in Part I; for each individual Performance Objective in Part II; and for the Overall Rating in Part III.
3. The Performance Objectives and factors may be weighted at the Rater's discretion.
4. The Reviewer is the General Manager.

PART I: CORE PERFORMANCE FACTORS

1. The General Manager evaluates the Deputy General Manager's proficiency in the following performance factors using a single rating on the following scale:

   A = Exceptional Performance
   B = Superior Performance
   C = Average Performance
   D = Acceptable Performance
   E = Needs Improvement

Performance Factors	Rater's Rating
1. Leadership Displays courage, passion and caring in work. Sets a professional example. Motivates other to work toward common goals. Uses authority responsibly. Addresses problems proactively. Gains support and seeks buy-in-through participation of others. Demonstrates interest in professional growth of others. Shows good judgment and accepts ownership for decisions in areas of responsibility. **Supportive Information:** ***Please refer to attached memorandum.***	E
2. Commitment to the Port's Mission, Vision and Values Articulates or shows appreciation for the importance of shared vision. Demonstrates civility in relations with others. Requires supervised employees to show civility in their relations toward others. Participates regularly in activities beyond immediate areas of responsibility which support the mission of the Port. Demonstrates consideration of the Port's values when making decisions. *(Diversity and civility are examples of University values to be considered.) **Supportive Information:** ***Please refer to attached memorandum.***	D
3. Management Practices Demonstrates commitment to good customer services. Demonstrates competency in labor-management relations activities necessary to effectively manage the areas of responsibility. Questions existing practices for continued relevancy. Effectively initiates and promotes necessary change in the areas of responsibility. Sets and enforces performance standards effectively. Recognizes and rewards good performance. Plans effectively and shows good project management skills. Shows awareness of "good practices" for areas of responsibility. Encourages employees to improve performance and grow by actively supporting and encouraging employees to participate in training and development activities. **Supportive Information:** ***Please refer to attached memorandum.***	E

Performance Factors	Rater's Rating
4. Relational Skills Works effectively with others. Works collaboratively and negotiates effectively. Maintains confidentiality. Accepts constructive criticism without offense. Demonstrates sensitivity to the rights and opinions of others, even in disagreement. Presents a positive image of the Port to external publics. Respects cultural differences and embraces activities which support a diverse community. **Supportive Information:** ***Please refer to attached memorandum.***	**E**
5. Commitment to Diversity Respects cultural differences and embraces activities which support a diverse community. Utilizes recruitment strategies designed to attract diverse applicant pools. Actively engages in diversity initiatives, such as, mentoring, training and employee networks. Displays a commitment to diversity. **Supportive Information:** ***Please refer to attached memorandum.***	**D**
6. Resource Management Recruits, selects and retains capable, productive employees. Effectively deploys staff, equipment and technology to accomplish work. Shows good stewardship of financial resources. Demonstrates knowledge of budget and use of financial reporting systems. Displays creativity/innovative in managing resources. **Supportive information:** ***Please refer to attached memorandum.***	**D**
7. Communication Skills Shares appropriate information with internal and external audiences in a timely and responsible manner. Manages meetings effectively. Possesses effective listening skills. Articulates clearly and writes effectively. Displays effective presentation skills. **Supportive information:** ***Please refer to attached memorandum.***	**E**

Performance Factors	Rater's Rating
8. Accountability Takes responsibility for fulfilling job duties. Meets attendance and punctuality guidelines. Demonstrates accuracy and thoroughness. Completes work on time. Follows instructions and directions. **Supportive Information:** ***Please refer to attached memorandum.***	**E**
9. Responsiveness/Customer Service Consistently demonstrates respect, responsiveness and professionalism. Provides each customer with the same high quality services. Fosters and models a commitment to customer service. Builds customer and confidence and increases customer satisfaction. Makes customers and their needs a primary focus. Developing and sustaining productive customer relationship. **Supportive Information:** ***Please refer to attached memorandum.***	**D**
10. Decision Making/Problem Solving Identifies and understands issues, problems and opportunities. Make timely and rational decisions based on analysis of relevant information/data Accepts responsibility for decisions and takes proper action when necessary. Uses effectively approaches for choosing a course of action or developing appropriate actions. Takes action that is consistent with available facts, constraints, and probable consequences. **Supportive information:** ***Please refer to attached memorandum.***	**E**
11. Work Environment/Safety Promotes and supports a respectful workplace; comply with laws, policies and procedures. Models ethical behavior and decision making and ensures compliance. **Supportive information:** ***Please refer to attached memorandum.***	**D**

PART II: JOB SPECIFIC PERFORMANCE OBJECTIVES

Instructions: Part II creates the performance deliverable which will be measured. The Deputy General Manager and General Manager should identify below between 5 and 8 significant deliverable in the form of major initiatives or projects. They may include annual program objectives or project-related work. The intent is that there should be some collaboration between the Deputy General Manager and General Manager when assigning the deliverables and they should be prioritized if at all possible, with the most important in block 1, next most important in block 2, etc. If more than 8 deliverables require listing, those in excess of 8 may be listed in the back of the last page. (NOTE: It is typical for some priorities to change over the course of the year, and it also foreseeable that some objectives set at the beginning of the cycle may prove unachievable for reasons outside the Deputy General Manager's control.)

Job Specific Performance Objectives	Rater's Rating
1. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	
2. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	
3. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	

Job Specific Performance Objectives	Rater's Rating
4. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	
5. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	
6. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	
7. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	

Job Specific Performance Objectives	Rater's Rating
8. Objective: ***Please refer to attached memorandum.***	
Expected Results:	
Actual Results:	

The Deputy General Manager and the General Manager have met, discussed and agreed to the above initiatives as measurable deliverables for the performance cycle.

Employee' Signature:	**Date:** August 26, 2026
General Manager's Signature:	**Date:** August 26, 2026

PART III: SUMMARY OF OVERALL PERFORMANCE:

The space below is provided for a narrative summary of the Deputy General Manager's performance over the immediate cycle to be completed by the General Manager (Rater).

Please refer to attached memorandum.

PART IV: OVERALL PERFORMANCE EVALUATION RATING: (Please checkmark √)

_________ Exceptional Performance

_________ Superior Performance

_________ Average Performance

____X____ Acceptable Performance

____X____ Needs Improvement

PART V: PERFORMANCE DEVELOPMENT PLAN:

In the blocks below, the General Manager should make specific recommendations designed to identify strategies to enhance the Deputy General Manager's current competencies (first block) or correct performance issues (second block).

Professional Growth Strategies: *Please refer to attached memorandum.*

Remedial Strategies: *Please refer to attached memorandum.*

PART VI: SIGNATURES:

The Deputy General Manager and General Manager are required to sign the instrument after completing it and concluding the performance interview. The Deputy General Manager is only attesting to having been afforded the opportunity to review the evaluation and discuss the evaluations with the General Manager. The Deputy General Manager's signatures does not necessarily indicate that he/she agrees with the General Manager's measurement of his/her performance. Employee's comments are optional.

General Manager's Signature:	**Date:** August 26, 2026
Employee' Signature:	**Date:** August 26, 2026

Employee comments:	**Date:**
I would like to discuss with the General Manager: [ ] Yes [ ] No	
General Manager's Signature:	

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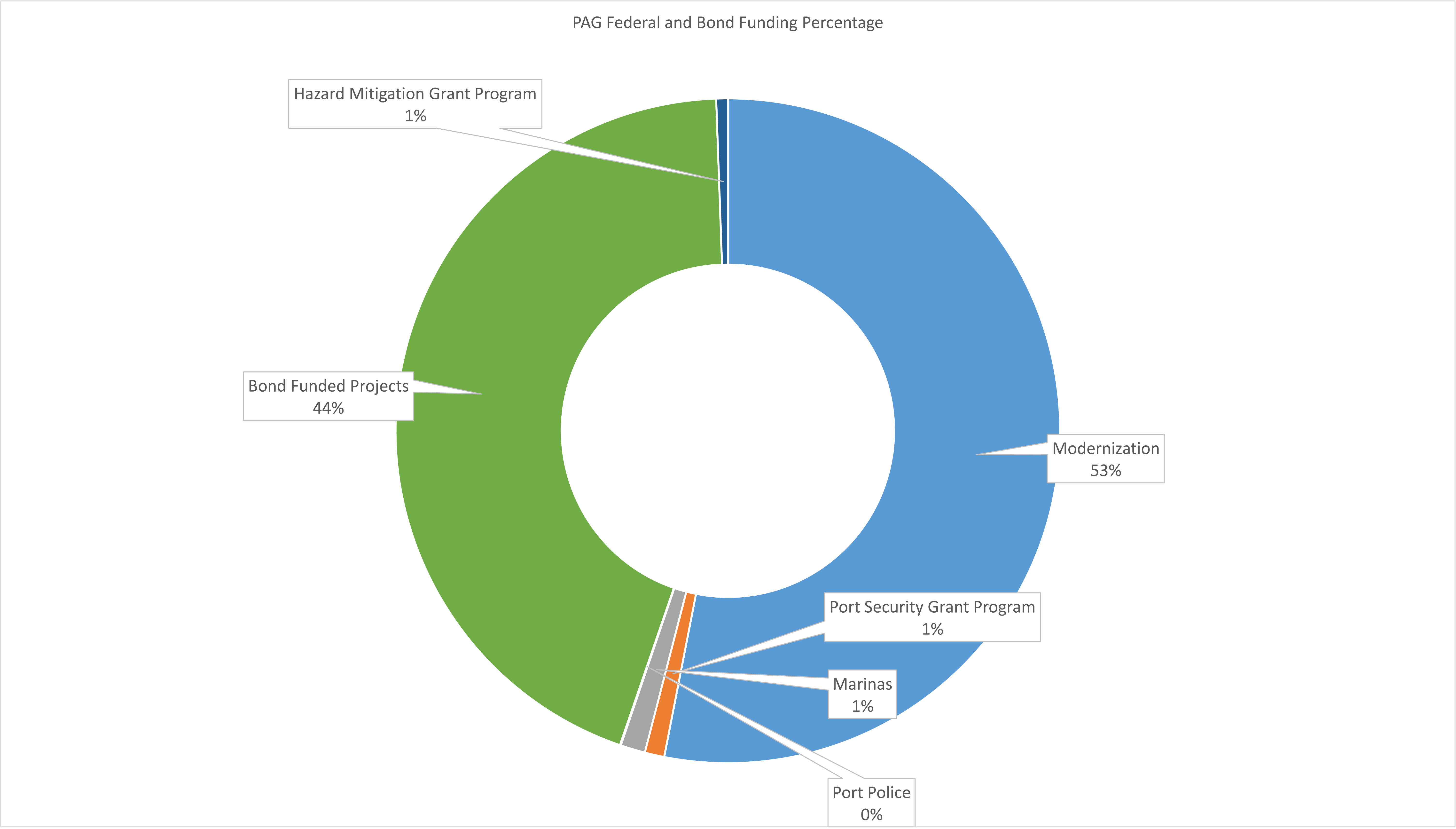
As of August 21, 2026



FY 2026 Port Grant/Bond - Monthly Update

Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Modernization	**$93,583,005.00**	**$5,682,946.70**	**$87,900,058.30**		
07-79-07614 - F1 Pier to Golf Pier Fuel Connectivity Project	$2,413,091.00	$0.00	$2,413,091.00	RFP-PAG-022-003 - A&E DESIGN CONSULTING SERVICES For The Installation of a Fuel Pipeline System for F1 Pier and Golf Pier Connectivity	Amorient submitted the 100% Design Submittal; including the basis of design, drawings, and specifications on February 14, 2025. PAG staff met with Project Officer to discuss options to expend remaining grant funds. Project Officer recommended to obtain price quotes for proposed activities outside current project scope. Planning submitted a grant application for the construction phase of the Fuel Connectivity Project to U.S. DOT's BUILD Grant Program on February 24, 2026. EDA approved the PAG's request to include the design of additional components (LPG, Mogas Bypass, and Area A Stub-Out) and a biological assessment of Golf Pier. PAG staff from the Planning, Engineering & CIP, Legal, and Procurement Divisions are working to complete the procurement for services. **UPDATE:** PAG Procurement, Legal, Planning, and Engineering staff coordinated to finalize the amendment of the A/E design scope of services to include additional design components and a biological survey of Golf Pier. Contract documents have been prepared for PAG Board of Directors and PUC review.
D20AP00136 - Phase 1: Port Authority of Guam - Welding Shop	$240,325.00	$240,325.00	$0.00	PO No 20385OS for $386,379.00 to Guam Evergreen Corp. Change Order #1 (PO# 20997OS) for $38,000.00 for additional concrete spall and crack repairs Amendment #1 (PO# 21312OS) for $209,000.00 for electrical upgrades	The Notice to Proceed (NTP) was issued on December 6, 2024 and commenced on December 10, 2024. The grantor also approved the PAG's request to expend federal funding prior to local funding. Work began on January 22, 2025. An amendment is being developed to account for the additional spalling that has been discovered over the course of the project. **UPDATE:** Project is pending punch list items and the final electrical upgrades. The Period of Performance was extended to September 10, 2026.
D21AP10142 - Phase 2: Port Authority of Guam - Welding Shop	$151,850.00	$151,850.00	$0.00	PO No 21374OS for $23,300.00 for a 2000W Laser Corrosion Remover PO No 21652OS for $42,240.00 for an 8 pack welding rack	The OIA approved the PAG's request to purchase one 8-pack multi-operator welding rack instead of a 4-pack multi-operator welding rack and stud welder. See above for construction status. **UPDATE:** PO No 21652OS was awarded to Reaction Supply Company for the purchase of an 8-pack welding rack. The equipment is now pending delivery.
D22AP00124- Generator Maintenance & Sustainment Program	$165,375.00	$77,545.10	$87,829.90	PO#18867OS -1st year contract services for $65,000.00 to Hawthorne Pacific Corp. PO#20005OS- 2nd year contract services for $65,000.00 to Hawthorne Pacific Corp. PO#20793OS- 3rd year contract services for $65,000.00 to Hawthorne Pacific Corp. Generator Parts POs: PO#193080OS and PO#19311OS Landscape Management Systems Inc. $4,314.00; PO#19310OS, PO#19313OS, PO#19315OS Far East Equipment Co. LLC. $9,346.11; PO#19309OS, PO#19312OS, PO#19314OS Hawthorne Pacific Corp. $11,046.35 PO#20626OS Gatbo Industries Inc. $1,774.00 PO#24108OS American Best Electricmart Inc. PO#24109OS Washland PO#21410OS JMI Edision	Grant award notification was received on June 29, 2022. POP: May 19, 2022 - September 30, 2026. **UPDATE:** PAG Facilities Division along with the Procurement Division issued out the third contract year service PO to Hawthorne Pacific Corp on June 24, 2025. Hawthorne completed genset inspections and continue to work along Facility Maintenance for these assets. PAG Facilities/EQMR Division established three BPAs, each valued at $24,000.00, for generator stator rewind services.

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Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
MARAD AMHP - Acquisition of Specialized Container Yard Equipment	$5,703,560.00	$4,709,274.61	$994,285.39	PO Nos. 19083/84-OS for $2,689,408.00 and 2,205,723.00, respectively.	The Grant Agreement for MARAD FY 2022 America's Marine Highway (AMH) Grant No. 693JF72340007 was effectuated on August 4, 2023. The telescopic boom lift, reefer generators, and nine (9) terminal yard tractors are anticipated to be delivered November 2024 (boom lift) and March 2025 (generators and tractors). 180-ft telescopic boom lift was delivered November 22, 2024. On December 11, 2024, MARAD Senior Grants Management Specialist notified the PAG of its approval to purchase five 5.5-ton forklifts under the BABA waiver for Pacific Island Territories. Contract and purchase order were issued on December 13, 2024. PO 20412-OS - Finance submitted reimbursement draw down request to MARAD on January 13, 2026 for $274,571.70. The Restated Grant Agreement was received from MARAD on April 10, 2026, adding the purchase of two 20-ton forklifts and two utility trucks to the approved project scope. PAG staff from the Transportation, Maintenance, Procurement, and Planning Divisions met to discuss next steps for the procurement process. UPDATE: Requisitions have been entered for the purchase of two 20-ton forklifts and two utility trucks. Procurement is ongoing for the equipment. Status Quo.
693JF72240023 MARAD 2021 RAISE Grant - Wharves Service Life Extension - Hardening of Wharves F2-F6	$17,941,997.00	$0.00	$17,941,997.00	Task Order 15 MOD #2- P.O. 19948-OS was issued to WSP to conduct an Environmental Assessment and Permits. Amendment approved to change period of performance from July 31, 2026 to September 30, 2026. Total billed to date $335,460.19 Task Order 19 has been approved, and Purchase Order No. 21179-OS, in the amount of $527,315, has been issued to the Port's Owner's Authorized Engineer (OAE) and subconsultant to carry out the required services. Total billed to date $96,091.63	The Environmental Assessment and related regulatory consultations remain ongoing under MARAD oversight. Final execution of the Grant Agreement remains contingent upon completion of MARAD's environmental review and issuance of the appropriate environmental determination. **UPDATE**: Guam EPA has issued the Section 401 Water Quality Certification, Coastal Zone Management coordination is complete, and the U.S. Army Corps of Engineers (USACE) Nationwide Permit remains the principal permit pending final issuance. As PAG, MARAD, and the project consultants continue compiling and reviewing the administrative record, additional Section 4(f) documentation associated with the Commercial Port Historic District is being addressed to advance the Environmental Assessment toward final determination. Coral relocation planning is complete, with approximately 20 coral colonies identified for translocation and a relocation site confirmed. Translocation remains pending completion of MARAD's NEPA review.
U.S. EPA Clean Ports Program - Net Zero Emissions Strategy Update and Implementation Plan	$2,410,415.00	$503,951.99	$1,906,463.01		On Dec. 19, 2024, PAG received the Notice of Grant Award/Grant Agreement to fund the PAG Net Zero Emissions Strategy Update and Implementation Plan project. **UPDATE:** Project activities under Subtask 16.2: Greenhouse Gas Emission Inventory and 16.4 Workforce Development are progressing as scheduled.
OLDCC Defense Community Infrastructure Program - F1 Pier Infrastructure Restoration - Structural and Safety Repairs Project	$4,886,958.00	$0.00	$4,886,958.00		The PAG project scope for near-term repairs of the F1 fuel pier includes a local share of $2,094,411.00. **UPDATE:** DCA completed its biological survey and is in the process of completing the final report. Upon completion and with a copy provided to JRM, the Port will thereafter coordinate with JRM to work towards a CATEX Determination. The date for the determination has not been set since JRM will be performing their technical review. Concurrently, the PAG continues advancing the procurement process and development of the A&E design-build packet.

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Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
USDOT Maritime Administration Port Infrastructure Development Program (PIDP) 2025 - Strengthening Supply Chain with New Port Cranes Project	$59,669,434.00	$0.00	$59,669,434.00		**UPDATE**: MARAD provided PAG with the draft Grant Agreement, together with the applicable General Terms and Conditions and exhibits, for review by PAG Legal. Review of the agreement is proceeding concurrently with the ongoing NEPA and federal environmental review process. PAG continues to coordinate with MARAD on the remaining requirements, including completion of the applicable environmental review and supporting federal documentation, before the Grant Agreement can be finalized and executed.
Marinas	**$2,116,790.00**	**$0.00**	**$2,116,790.00**		
2024 NOAA Marine Debris Program - BoatUS Foundation Abandoned and Derelict Vessel (ADV) Removal Grant Program	$644,790.00	$0.00	$644,790.00		The project scope is to remove thirteen (13) abandoned and/or sunken vessels between. **UPDATE:** Final procurement package has been submitted by Engineering. Procurement has completed the IFB announcement packet and is now with the General Manager for signature/approval. Announcement is planned for the week of 8/24/2026.
C260600410 - DOAg Sport Fish Restoration - Demolition and Replacement of A-Dock at the Agana Marina	$500,000.00	$0.00	$500,000.00		**UPDATE**: PAG submitted a revised Scope of Work to DOAG-DAWR for approval, together with a request to extend the grant performance period through September 30, 2027. The revised scope prioritizes immediate life-safety and critical repairs within the available $500,000 grant award and reduces the project to one approximately 125-foot main walkway/gangway with four finger slips, while retaining rehabilitation and reuse of serviceable existing dock components. PAG is awaiting DOAG-DAWR approval before proceeding with procurement.
C260600200 - DOAg Sport Fish Restoration - Repair of the Merizo Boat Ramp	$52,000.00	$0.00	$52,000.00		**UPDATE:** PAG submitted a modified Scope of Work to DOAG-DAWR for approval, together with a request for a one-year extension of the project performance period through September 30, 2027. The revised scope reduces the repair area from approximately 30 feet by 80 feet to 30 feet by 30 feet and provides two construction options—precast concrete slabs or cast-in-place reinforced concrete—to address the deteriorated boat ramp within the available $52,000 grant funding. USACE has advised that a federal permit is required for repairs below the High Tide Line, with related Guam EPA water quality review required before construction can proceed. PAG is awaiting DOAG-DAWR approval of the modified scope and performance-period extension before advancing permitting and procurement.
C260600480 - DOAg Sport Fish Restoration - Maintenance and Structural Assessment of Malesso' Pier	$150,000.00	$0.00	$150,000.00		**UPDATE:** PAG submitted a modified Scope of Work to DOAG-DAWR for approval, together with a request for a one-year extension of the project performance period through September 30, 2027. The revised scope retains the structural assessment and prioritizes repair of damaged wooden decking, borders, and beams within the available $150,000 grant funding, with selected lighting and ladder improvements identified as optional items based on available funding. USACE permitting requirements have also been incorporated into the revised scope, with any physical repair work requiring applicable federal and local permits or written verification prior to construction. PAG is awaiting DOAG-DAWR approval of the modified scope and performance-period extension before proceeding.
C260600190 - DOAg Sportfishing and Boating Safety - Pre-construction for a Gangway and Courtesy Dock for the Guam Harbor of Refuge	$275,000.00	$0.00	$275,000.00		**UPDATE:** The project scope has been updated and is targeted for finalization in Q4 FY 2026. CIP/Engineering is also preparing the supporting procurement documents, including the Determination of Need, requisition, and procurement planning coordination necessary to complete the bid package and advance the project toward solicitation.

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Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
F23AF03463-02 - DOAg Sport Fish Restoration Fund - Agat Marina Southern Walkway Repairs	$120,000.00	$0.00	$120,000.00		**UPDATE:** DOAG followed up with the Office of the Attorney General's Solicitors Division regarding the pending MOA and was advised that the matter remains under review. PAG will continue to coordinate with DOAG and await completion of the review before advancing the project.
C260600137 - DOAg Clean Vessel Act - Assessing Guam's Agat Small Boat Marina, the Harbor of Refuge, and the Gregorio D. Perez Marina for Pumpout Service to Recreational Boats	$375,000.00	$0.00	$375,000.00		**UPDATE: F**inal scope refinement remains underway and is targeted for completion in Q4 FY 2026. CIP/Engineering is also preparing the supporting procurement documents and planning coordination necessary to complete the procurement package and advance the project toward solicitation.
Port Security Grant Program	**$1,676,273.00**	**$644,849.76**	**$1,031,423.24**		
EMW-2022-PU-00149 - Acquisition of Unmanned Aerial Vehicles (UAV)	$74,290.00	$36,742.50	$37,547.50	Purchase Order # 21476-OS Aviation Concepts, LLC	Revised DRAFT policy resubmitted to FEMA Program Manager on Nov. 14, 2024. Revisions made were based on FEMA's comments on first draft. This policy must be approved by FEMA prior to commencing the procurement process. Port Police re-submitted its revised UAV Policy and Procedures to FEMA for review and concurrence. **UPDATE:** PAG received the 2 drone units on May 8, 2026. Procurement packet for training and accessories is being developed.
EMW-2022-PU-00149 - Primary Communications Replacement of Motorola Radio Units	$405,478.00	$405,478.00	$0.00		Grant was awarded on September 1, 2022. On July 12, 2023 Procurement issued purchase order #19023OS to Motorola and Port Police recieved the units on November 28, 2023. Port Police worked with Guam Police Dept. for radio programming and is working with Finance on tagging the assets. Distribution of radio units is in progress. **UPDATE:** Radio distribution to respective individuals and as determined by Port General Manager was completed.
EMW-2022-PU-00149- Integrated Digital Enhanced Network (iDEN) Technology Redundant Interoperable Communications System Service	$84,450.00	$84,450.00	$0.00	PO No. 18297-OS IT&E $35,013.36 PO No. 19528-OS IT&E $47,058.00 PO No. 20161OS IT&E $48,174.00	Grant was awarded on September 1, 2022. iDEN Services are ongoing provided by IT&E (Period of October 1, 2022 - September 30, 2023.) Third year purchase order issued for the period of October 1, 2024- September 30, 2025. **UPDATE:** Grant-funded services completed. Pending close out.
EMW-2023-PU-00298 - Acquisition of Two (2) Port Police Boat Trai	$42,003.00	$35,751.26	$6,251.74		Guam Home Center was awarded Purchase Order #19742OS on March 19, 2024. **UPDATE:** Trailers delivered. On July 30, 2026, PAG was informed that the amendment request submitted to use the residual grant funds to purchase accessories for the trailers was declined. Pending closeout.
EMW-2023-PU-00298 - Acquisition of Port Police Durabooks and A	$43,378.00	$43,125.00	$253.00		MD Wholesale was awarded Purchase Order #19777OS on April 1, 2024. Laptops delivered to PAG IT and are currently being configured and distributed to Port Police. **UPDATE:** Project complete. Pending closeout.
EMW-2023-PU-00298 - Port Police Division Acquisition of Personal	$39,398.00	$39,303.00	$95.00	PO NO. 20211OS Code 1 Law Enforcement Equip. & Supply $39,303.00	Notice of award - August 25, 2023. **UPDATE:** Project Complete. PPEs delivered Jan. 5, 2025. Pending closeout.
EMW-2025-PU-05369 -FY2025 PSGP AWARD	$987,276.00	$0.00	$987,276.00		On Sept. 29, 2025, the PAG received an email notification that its grant application submitted for the FY25 PSGP has been approved. Awarded IJs include: Implementation of an Active Directory; Replacement of the aging SonicWall 4600 firewall and 3-year subscription of Intrusion Detection System monitoring; A security barrier system; and, Modular Floating Dock System. **UPDATE**: After several attempts to contact the FEMA Program Officer via email, the PAG received a response on June 23, 2026 from the Section Chief indicating that operations had resumed and staff were working to address backlogged items. A Zoom meeting was held on July 17, 2026 with the Section Chief. During this meeting, he confirmed that no additional funds would be added to the federal share and further clarified that the reduced quantities reflected in the "Approved Scope of Work" pages of the award notification did not need to be followed. A revised budget will be submitted to FEMA.

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Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Hazard Mitigation Grant Program	**$989,564.00**	**$746,854.29**	**$242,709.71**		
Fendering System Hardening Project	$603,689.00	$360,979.29	$242,709.71		IFB-PAG-CIP-022-008 posted on August 26, 2022. Pre-bid conference held on Sept. 7, 2022 and Site visit conducted on Sept. 9, 2022. Bid opening held on Oct. 27, 2022, 2:00 pm. Contract awarded to Cabras Marine. Notice to Proceed was given to Cabras Marine on January 10, 2023. Original project scope was 15 arch fenders and 11 cylindrical fenders. After Typhoon Mawar, a request was submitted to descope the damaged fenders from this HMGP project and add rubber arch fenders not included in original SOW. PAG received notification that FEMA approved the amendment on August 28, 2024. Grant POP end date has been extended to November 3, 2025. Project completed November 3, 2025. A final reimbursement request was submitted on 01/29/26 for a total of $209,029.91. **UPDATE:** Pending reimbursement from OCD-GHS.
Warehouse 1 Hardening Project	$385,875.00	$385,875.00	$0.00		IFB-PAG-CIP-022-009 posted on Sept. 13, 2022. Pre-bid conference held on Sept. 20, 2022 and Site visit scheduled for Sept. 23, 2022. Bid opening was completed on October 20, 2022. There were two (2) bid submissions received by the deadline. Both bids were opened and the documents were reviewed by the Port Staff Attorney as well as the Procurement and Engineering divisions. Meeting held on December 7, 2022 with lowest bidder to discuss submission and specifications. Awarded to IAN Corporation. Notice to Proceed was given to IAN Corp on April 16, 2023. Grant Period of Performance end date is March 18, 2024. Project date of completion is March 1, 2024 with a one (1) year warranty period through March 2, 2025. **UPDATE:** Project Complete.
Port Police	**$77,533.49**	**$22,507.42**	**$55,026.07**		
Pending Formal Agreement - Operation A'dai He'Hao	$77,533.49	$22,507.42	$55,026.07		Enforcement activities took place on the week of April 6 and May 18, 2026 as well as a joint operation with GPD on May 7, 2026. **UPDATE:** Enforcement activities are ongoing and reimbursements are being processed.
Bond Funded Projects	**$77,886,440.00**	**$15,628,495.33**	**$62,257,944.67**		
New Administration Building	$10,445,000.00	$0.00	$10,445,000.00		Project is currently on hold pending Management decision. Engineering has been instructed to develop Scope of Work to repair concrete cracks and spalling and made a priority. **UPDATE:** Status Quo
Waterline Replacement and Relocation	$6,000,000.00	$4,704,482.60	$1,295,517.40	PO No. 17790OS for $4,856,568.91 awarded to BME & Sons Inc.	Pipe installation along wharves F4 to F5 is ongoing. The first section of the new waterline near the fire water tank has been connected. Work has begun near the main gate to connect the new waterline and additional work that includes the installation of new fire hydrants to meet fire code standards. **UPDATE:** The contract extension has been approved through January 2027. Prep work for connecting to the new waterline is ongoing.
EQMR Building Repairs and Upgrades	$3,628,800.00	$3,628,800.00	$0.00	PO No. 18007OS for $3,980,000.00 awarded to JJ Global Service	The repair & paint work as well as lead based paint abatement has been completed. **UPDATE:** This project is complete.
Warehouse 1 Repairs and Upgrades	$2,000,000.00	$2,154,785.49	($154,785.49)	RFP No. 2019-03 - A&E Design awarded to NC Macario PO No. 20723-OS for $4,837,223.18 BME & Sons Inc. (Outstanding balance to be drawn down from the New Administration Building)	The Construction IFB was published on November 25, 2024. The bid opening was held on February 5, 2025. Chipping and saw cutting exterior concrete spalling is complete and spall repair is at 40%. Electrical demolition is 80% complete, construction joint removal and cleaning is 70% complete, and joint repair is 65% complete. **UPDATE:** Installation of electrical components and fire alarms is ongoing. Roof crack repair is complete and roof coating has begun.

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Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Golf Pier Repairs and Improvements	$2,000,000.00	$372,147.93	$1,627,852.07	RFP No. 2019-02 - A&E design for $484,000 awarded to NC Macario	Golf Pier was rendered inoperable after Typhoon Mawar. The PAG along with its OAE have developed cost estimates. The PAG had received a FEMA determination for Golf Pier. On August 9, 2025, PAG submitted an appeal letter requesting reinstatement of eligibility for Permanent Work assistance related to damages sustained during Typhoon Mawar. **UPDATE**: The Guam Recovery Office submitted appeal letter to FEMA. Pending FEMA response/decision.
Rehabilitation of "H" Wharf	$46,331,895.00	$1,740,063.86	$44,591,831.14	PO No. 17043-OF for $2,249,945.54 awarded to GHD Inc. New Contract Amount: $2,656,621.37 | PO No. 18140-OS was issued to Sumitomo Mitsui Construction Company, Ltd. for $46,331,895.00	Resolution No. 2024-01 authorized the PAG GM to temporarily pause H-Wharf construction, procure additional gantry cranes, and establish comprehensive strategic measures for port operational enhancement and financial reallocation. WSP finalized the design to ensure compliance with the latest engineering codes. **UPDATE:** Status Quo
Other Priority Projects	$4,980,745.00	$531,085.80	$4,449,659.20		1. Please refer to MARAD RAISE - Wharves Service Life Extension Hardening of Wharves F2-F6 for more information. 2. **UPDATE:** The TOS Upgrade procurement process is ongoing. Status Quo.
Other Priority Projects - EnterpriseOne Financial Management System	$2,500,000.00	$2,497,129.65	$2,870.35		Module updates are ongoing for vessels and SSRs. An RFP for joint comprehensive support services with GPA, GIAA, and the lead agency GWA is ongoing. The PAG is also exploring additional applications such as employee self serve and dashboards. The PAG is also exploring preventative maintenance modules and content management. **UPDATE:** The PAG has moved from Oracle to DXE for customer support via a MOA with GWA. The PAG's RFP for DXE is still ongoing. Status Quo.
Grand Total	**$176,329,605.49**	**$22,725,653.50**	**$153,603,951.99**		

UPDATED: August 25, 2026

PORT AUTHORITY OF GUAM
CONTRACT SUMMARY UPDATE

No.	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments / Notes)
PROFESSIONAL SERVICES									
1	A1 - Guam WEBZ	Web Development, Hosting, Support and Maintenance Srvcs	RFP-25-004	IT	3 years w/7 1 yr options	08/07/25 -08/07/28	08/07/35	08/07/28	
2	Allied Human Resources	Temporary Staffing Services	RFP 024-002	HR					routing contract for approval
3	AM Insurance	Insurance Coverages	GSA/PAG-015-22	Finance	5 years	10/01/2022 to 09/30/2023	09/30/27	09/30/25	PO issued every new fiscal year
4	AM Insurance	Workers Compensation Coverages							No Coverage
5	Matson	PMC for Gantry Cranes	RFP-020-005	EQMR	5 years with options to 20 years	11/05/21 to 11/05/26		11/05/26	$200K per annum
6	Bank of Guam	Banking Services	RFP 020-004	Finance	5 years	5/14/21 to 5/13/26	05/14/26		Currently on month to month extension
7	Mobil Oil Guam	Management and Operations of Golf Pier	RFP-PAG-021-002	Commercial	Pier inoperable				Mobil Oil Guam Request to Terminate Lease/Legal review
8	Island CERTS Corp.	OSHA Training & Certification Services for Maritime Terminal Operations	RFP-024-001	Human Resources	5 years	05/24/24 to 05/23/29	05/23/29		
9	Allied Human Resources	Drug Free Workplace Program	RFP-025-002	Human Resources	Initial 1yr term with 4 add'l one year options, not to exceed 5 yrs	April 10, 2026 to April 9, 2027	04/09/31	04/09/27	
10	Milo Appraisals	Real Estate Appraisal Services	RFP-021--004	Commercial	3yrs w/ 2 option	10/06/21 to 10/05/24	10/05/26	10/05/25	Task Order based
11	International Health Providers IHP	Medical Examination Services	RFP-022-005	Human Resources	3 yr. w/ 2 options NTE 5 years	06/14/23 to 06/13/26 w/ Two 1yr options NTE 5yrs	06/13/28	06/13/26	Fees based on rates
12	Tristar Terminal Guam	M & O of F-1 Fuel Pier Facility	RFP-019-004	Commercial	5 years	Agreement Expired			With Legal for Review
13	Ernst & Young	Annual Independent Audit Services	OPA-RFP 25-008						OPA handled RFP/Contract with Finance
14	WSP USA Inc.	OAE - Owner Agent Engineer	RFP-021-003	Planning	2 yr w/ 3 options NTE 5 yrs	10/22/21 to 10/21/23	10/22/26	10/23/25	$1.5M

UPDATED: August 25, 2026

PORT AUTHORITY OF GUAM
CONTRACT SUMMARY UPDATE

No.	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments / Notes)
15	N.C. Macario & Associates	A/E Design and Consulting Services Golf Pier	RFP 019-002	Engineering	3 years w/2 1 yr options	11/20/19 to 11/19/22	11/19/2024	11/20/2022	Did not renew
16	N.C. Macario & Associates	A/E Design and Consulting Services EQMR, Warehouse No.1, Waterline Reclocation	RFP 019-003	Engineering	3 years w/2 1 yr options	02/05/20 to 02/04/23	2/5/2025 final year		$1,406,427.48
17	AM Orient	A&E Design of Fuel Pipeline System	RFP 022-003	Planning/CIP		6/28/23 to 6/27/25 w/ 1 option	6/27/2026	6/27/2025	processing extension
CONSTRUCTION CONTRACTS									
No.	**Consultant/Vendor**	**Type of Service**	**Solicitation Method Reference No.**	**Division**	**Contract Term**	**Contract signed**	**Expiration After Options**	**Next Renewal Due Date**	**Annual Amount (Comments / Notes)**
1	Sumitomo Mitsui Construction Company	Re-bid - Construction Rehab of H-Wharf and Hwy 11 Roadway Reconstruction	IFB-022-002	CIP/Planning	790 Calendar days from NTP	8/9/2022			$47M approx.
2	Guam Shipyard	Design Demolition of 5 inoperable Port Cranes and One Barge at F-6	MS IFB 021-002	CIP/EQMR	PAG filing claim against performance bond	9/10/2021			Bond claim against contractor GSY
3	BME and Sons	Waterline Replacement Project	IFB -021-005	CIP	365 calendar days from NTP. Amended to Extend to 12/31/24	3/9/2022			$4.8M
4	Guam Evergreen Construction Corp	Welding Shop Repairs & Upgrades	IFB-024-002	CIP/Planning	365 calendar days from NTP	Pending 100% Bonding			
5	Guam Evergreen Construction Corp	F3-F6 Bulkhead Repairs	IFB-024-007	CIP	270 Calebdar Days from NTP				$289,600.00
6	BME and Sons	WH1 Maintenance Project	IFB 024-004	CIP	540 Calendar days from NTP	PUC Approved, formulating Contract			$4,838,000.00

Port Authority of Guam
CIP / Engineering Divisions

Status as of August 20, 2026 Fact Sheet No. **143**

Project Status
Post-Award Projects

Project Title	Warehouse 1 Building Maintenance
Project Number	IFB-PAG-CIP-024-004
Project Amount	$ 4,837,223.18
Work in Progress (WIP)	40% Complete
Funding Source	PAG Bonded Project
Contractor	BME & Sons
Designer of Record	NC Macario & Associates
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	June 10, 2025
Project Completion Date	540 calendar days from NTP
Current Status: Roof joint repair is at 85% completed and crack repair for the roof 75 % completed. Bay 3 and 4 wall replacement is not at 90 % complete, Electrical work and Fire Alarm System is now at 80% complete. On-going work for the Fire alarm and Fire Protection system.	

Project Title	PAG Waterline Replacements
Project Number	IFB-PAG-CIP-021-005
Project Amount	$ 4,856,569.00
Work in Progress (WIP)	95% Complete
Funding Source	PAG
Contractor	BME & Sons
Designer of Record	NC Macario and Associates
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	March 21, 2022
Project Completion Date	12/29/26
Current Status: Final main water line tie-in inside the yard on-going. Tie-in at GWA valve pit planned and coordination with GWA is on-going.	

Project Title	Design, Demolition, Removal & Proper Disposal of 5 Inoperable Cranes and Optional Removal/Disposal on one Barge YFN816
Project Number	IFB-PAG-CIP-021-002
Project Amount	$ 2,573,155.00
Work in Progress (WIP)	97% Complete
Funding Source	PAG
Contractor	DS Recycling (bonded by Moylan's Insurance)
Designer of Record	PAG In-House
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	September 13, 2021
Project Completion Date	November 15, 2024
Current Status: Phase 2 disposal of Don Yang yard debris is on-going. Phase 3 to restore F4 pavement to original condition is under discussion with Moylan's POC.	

Project Title	Rehabilitation of H-Wharf and Access Road
Project Number	IFB-PAG-CIP-022-002
Project Amount	$ 46,331,895.00 (Original Amount: $23,000,000.00)
Work in Progress (WIP)	30% Complete
Funding Source	TIGER Grant and PAG Revenue Bond
Contractor	Sumitomo Mitsui Construction Co. LTD (SMCC)
Designer of Record	WSP
Construction Manager	GHD Engineering
Notice to Proceed Issued	TBD (On-Hold)
Project Completion Date	TBD
Current Status: On Hold	

Project Title	Welding Shop Maintenance and Repair Project
Project Number	IFB-PAG-CIP-024-002
Project Amount	$386,370
Work in Progress (WIP)	88%
Funding Source	OIA Grant + PAG funds
Contractor	Guam Evergreen Corp.
Designer of Record	N/A
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	12/10/2024
Project Completion Date	06/30/2026
Current Status: ➢ Roll up doors installed and completed ➢ Electrical installation (Amendment – 2) – 90% completed ➢ Tracking ESL plugs for delivery (long lead times) – ETA late August 2026	

Project Title	F3 – F6 Bulkhead Repair
Project Number	IFB-PAG-CIP-024-007
Project Amount	$289,600
Work in Progress (WIP)	100% Complete
Funding Source	PAG Funds (FEMA Reimbursable)
Contractor	Guam Evergreen Corp
Designer of Record	Port Authority of Guam
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	02/17/25
Project Completion Date	June 2026
Current Status: Project completed and financial closeout processed.	

Project Title	Admin Structural Repairs (Horizon Building Option)
Project Number	IFB-PAG-CIP-026-001
Project Amount	$ 1,800,000 (Estimate)
Work in Progress (WIP)	0% Complete
Funding Source	PAG Funds
Contractor	TBD
Designer of Record	TBD
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	TBD
Project Completion Date	TBD
Current Status: Awaiting Award from Procurement.	

Project Title	LC-4 Transformer Replacement
Project Number	IFB-PAG-CIP-026-002
Project Amount	$ 495,000 (Estimate)
Work in Progress (WIP)	0% Complete
Funding Source	PAG Funds
Contractor	TBD
Designer of Record	TBD
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	TBD
Project Completion Date	TBD
Current Status: ➢ Awarded to Polyphase ➢ Coordinating with contractor for long lead items and work phases.	

Pre-Award Project

Project Title	Abandoned Derelict Vessels Removal Grant Program
Project Number	C26F013
Project Amount	$ 860,000
Work in Progress (WIP)	0% Complete
Funding Source	BOATS USA Grant ($645K share) + PAG ($215K)
Contractor	TBD
Designer of Record	TBD
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	TBD
Project Completion Date	TBD
Current Status: SOW and CE complete, in procurement process.	

Project Title	F1 – F6 Wharves Service Life Extension Hardening (RAISE Grant)
Project Number	C22F012
Project Amount	$ 22,427,500
Work in Progress (WIP)	0% Complete
Funding Source	DOT (MARAD) + PAG
Contractor	TBD
Designer of Record	TBD
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	TBD
Project Completion Date	TBD
Current Status: Awaiting NEPA approval. SOW and CE complete, in procurement process.	

Project Title	OLDCC JRM Pier Infrastructure Restoration F1 Project
Project Number	TBD
Project Amount	$ 6.9 M
Work in Progress (WIP)	0% Complete
Funding Source	OLDCC DCIP
Contractor	TBD
Designer of Record	TBD
Construction Manager	PAG Engineering Division
Notice to Proceed Issued	TBD
Project Completion Date	TBD
Current Status: Bid packet provided to Procurement 8/18/2026	

Port Authority of Guam
Operations Division Report
JULY 2026

I. OVERVIEW

Vessel Calls	25
Cans Handled	7,766
Special Service(s)	171

a. Productivity

Vessel Op	Avg NMPH	TOP GANG	M/Hr
Matson			
Domestics	21.8	4	23.2
Feeders	19.5	6	26.3
MSA			
Barges/Merdian	0.0	0	0.0
Mariana	0.0	0	0.0
Triton/Galaide	13.1	2	18.0
Kyowa	16.0	5	17.5
MELL			
Kotas	19.4	3	24.4
APL			
OCEANIA/ISLANDER/PRES	20.9	2	23.0
MSA/Melissa C	12.7	4	30.0

b. Equipment Status

As of : 7/31/2026	ON HAND	UP	RM	Repair
GANTRYS	3	2		1
TOP LIFTERS	10	4		6
SIDELOADERS	3	1		2
20T FORKLIFT	2	1		1
10T FORKLIFT	4	1		3
5T FORKLIFT	12	7		5
TRACTORS	30	9		21

II. YEAR TO DATE

a.

Vessels_YTD	257

b. Can_Cnt YTD

JULY	FY25		FY26		Variance	
	I	E	I	E	I	E
Local	27540	26526	29936	28144	9%	6%
TS	5539	5579	5677	5659	2%	1%
TSMT	2061	2213	2893	2914	40%	32%
Others (OS/Sh/Reh)	368	396	586	594	59%	50%
TTL	35508	34714	39092	37311	10%	7%

<u>FY-26 WORK INJURY REPORT</u>
(01/01/26 to 12/31/26)

Divisions	*Lost-time	**Recordable	*** Refused Treatment
Stevedoring	**0**	**0**	**0**
Transportation	**0**	**1**	**0**
Terminal	**0**	**0**	**0**
EQMR	**0**	**3**	**0**
Port Police	**0**	**0**	**0**
Admin	**2**	**0**	**0**
Total:	**0**	**0**	**0**

Work Injury Summary for this reporting period: 6/03/2026

Total Injuries for FY-26 to date: 6–Injury

6-- Lost-time
0– Recordable
0– Refused Medical Attention

Last disabling work injury was on: 4/28/26

Number of days since last work injury: 36-days

Note: PAG best record was 222 days or 7 months w/o a disabling work injury

***Lost-time** = If an employee was injured on the job and medical doctor sent him/her home, his/her injury is considered a lost-time.
****Recordable** = If an employee was injured on the job and medical doctor treated him/her and released him/her back to work on the same day (Recordable because of medical charges).
***__Refused Medical Attention:__ Filed WC Forms 201 & 202 for record purposes only.