Outlook

Messages & Communications Doc. No. 38GL-26-3192 through 3201.

From 38th Committee On Rules <committeeonrules@guamlegislature.gov>
Date Fri 11/13/2026 4:27 PM
To Guam Legislature Clerks <clerks@guamlegislature.gov>
Cc Frank Blas Jr. <speakerblas@guamlegislature.gov>

5 attachments (23 MB)
111326COMM Doc. No. 38GL-26-3193.pdf; 111326COMM Doc. No. 38GL-26-3197.pdf; 111326COMM Doc. No. 38GL-26-3198.pdf; 111326COMM Doc. No. 38GL-26-3196.pdf; 111326COMM Doc. No. 38GL-26-3199.pdf;

Håfa Adai Clerks Office,
Please see attached, **Messages & Communications Doc. No. 38GL-26-3192 through 3201** for processing:

√	**38GL-26-3192**	Guam Department of Education	Superintendent's Report – DE-1 (GG-1) or Contract of Employees as of October 2026*
√	**38GL-26-3193**	Department of Revenue and Taxation	Cannabis Control Board Meeting Packet for September 23, 2026*
√	**38GL-26-3194**	Guam Memorial Hospital Authority	FY2025 Citizen-Centric Report*
√	**38GL-26-3195**	Guam Police Department	Prior Year Obligation to pay Lagu, LLC in the total amount of $5,126.40.
√	**38GL-26-3196**	Guam Police Department	Prior Year Obligation to pay Tyler Technologies Inc. in the total amount of $7,345.98.
√	**38GL-26-3197**	Guam Police Department	FY2026 4th Quarter Travel Report ending September 30, 2026.
√	**38GL-26-3198**	Guam Economic Development Authority	FY2026 4th Quarter Travel Report for period ending September 30, 2026*
√	**38GL-26-3199**	Department of Public Health and Social Services	Guam Board of Allied Health Examiners Regular Board Meeting Packet for November 6, 2026*
√	**38GL-26-3200**	Port Authority of Guam	Board Meeting Packet for November 6, 2026*
√	**38GL-26-3201**	Department of Youth Affairs	FY2026 4th Quarter Reports – Financial, Non-Profit Organization, Non-Appropriated Fund, Staffing Pattern and Prior Year Obligation for the period ending September 30, 2026*

Please retrieve Doc. No. 38GL-26-3192, 3194, 3195, 3200 and 3201 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

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Messages and Communications 38GL-26-3200*

2 messages

Speaker Frank Blas Jr. <speakerblas@guamlegislature.gov> Thu, Nov 12, 2026 at 3:09 PM
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-26-3200

38GL-26-3200	Port Authority of Guam	Board Meeting Packet for November 6, 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

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---------- Forwarded message ---------
From: **Margret Duenas** <mduenas@portofguam.com>
Date: Mon, Nov 9, 2026 at 11:11 AM
Subject: PAG Board Meeting Materials - November 6
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 November 6, 2026 board meeting materials.

Regards - marge

2 attachments

110626 PAG Board Meeting Materials.pdf
3657K

38GL-26-3200.pdf
1076K

38th Committee On Rules <committeeonrules@guamlegislature.gov> Fri, Nov 13, 2026 at 9:28 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 - November 6

2 messages

Margret Duenas <mduenas@portofguam.com> Mon, Nov 9, 2026 at 11:11 AM
To: speakerblas <speakerblas@guamlegislature.gov>

Hafa Adai Speaker,

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Regards - marge

Doc Type: 38GL-26-3200
OFFICE OF THE SPEAKER
FRANK F. BLAS, JR.
November 9, 2026
Time: 11:11 AM
Received:

110626 PAG Board Meeting Materials.pdf
3657K

Speaker Frank Blas Jr. <speakerblas@guamlegislature.gov> Tue, Nov 10, 2026 at 10:09 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

(671)969-6456
speakerblas@guamlegislature.gov

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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: 671-477-5931/35 Facsimile: 671-477-2689/4445
Website: www.portguam.com

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
Friday, November 6, 2026 - 3:00 p.m.
PAG Board Conference Room

A G E N D A

I. CALL TO ORDER

II. APPROVAL OF MINUTES

1. August 31, 2026 – Regular Board Meeting

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

IV. GENERAL MANAGER'S REPORT

V. OLD BUSINESS

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

VI. NEW BUSINESS

1. Adoption of Board Resolution No. 2026-13 relative to memorializing and reaffirming the Port Authority of Guam Board of Directors' continuing support for the Port Authority of Guam's application to the United States Department of Transportation Maritime Administration Port Infrastructure Development Program for the Crane Rail Support Project, recognizing the project as an imperative complement to MARAD's prior award for three new ship to shore gantry cranes and part of an integrated federal modernization strategy supported by the Office of Local Defense Community Cooperation, affirming the General Manager's commitment that the Port provide the required matching funds, and directing transmittal of this resolution to MARAD, JRM, INDOPACOM, OLDCC, and other key federal stakeholders.

2. Adoption of Board Resolution No. 2026-14 relative to memorializing and reaffirming the Port Authority of Guam Board of Directors' continuing support for the Port Authority of Guam's application to the United States Department of Transportation Maritime Administration Marine Highway Program for the acquisition of two top loaders, recognizing the project as a critical continuation of the Port's cargo handling equipment modernization and regional marine highway strategy, affirming the General Manager's commitment that the Port provide any required matching funds, and directing transmittal of this resolution to MARAD, JRM, INDOPACOM, OLDCC, and other key federal stakeholders.

3. Adoption of Board Resolution No. 2026-15 relative to memorializing and reaffirming the Port Authority of Guam Board of Directors' continuing support for the Port Authority of Guam's Application to the United States Department of Transportation Federal Highway Administration promoting resilient operations for transformative, efficient, and cost-saving transportation program for the $24.96 million Route 11 cargo and fuel facilities access resilience project, recognizing Route 11 as the sole landside access corridor to Guam's only commercial seaport, critical fuel, power, maritime, and strategic logistics infrastructure, reaffirming the project as a one Guam Transportation, supply chain, energy security, disaster resilience, environmental sustainability, and national readiness priority, and directing transmittal of this resolution to FHWA, JRM, INDOPACOM, OLDCC, EPA, and other key federal and government stakeholders.

4. Adoption of Board Resolution No. 2026-16 relative to memorializing the Port Authority of Guam's September 2026 engagement with the United States Economic Development Administration during the Federal Interagency convening in San Francisco, establishing the exploration and development of a port industrial and logistics park with warehouse capacity to support transshipment, regional distribution, cargo consolidation, military buildup requirements, job creation, private investment, and economic development as a strategic port priority, designating Vice Chairperson Mark B.C. Mendiola to spearhead the Board's continued development of this initiative in coordination with the General Manager and Port Management, and supporting continued federal, territorial, industry, and technical engagement to develop the project concept, identify funding opportunities, and present a formal development strategy to the board.

VII. ADJOURNMENT

38GL-26-3200
Messages and Communications
RECEIVED
COMMITTEE ON RULES
November 12, 2026
3:09 p.m.
Marie Crisostomo

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
Website: www.portofguam.com

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

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS Monday, August 31, 2026

I. CALL TO ORDER

The Vice Chairperson called the regular meeting of the Board of Directors to order at 3:01 p.m., Monday, August 31, 2026. Present at the meeting were:

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

Absent were Pacifico R. Martir, DGM-Admin/Finance. Also present was Port Management Staff.

Before proceeding with the items on the agenda, the Vice Chairperson announced for the record that Chairperson Dorothy P. Harris had completed her term and would not seek reappointment. The Vice Chairperson mentioned that she will preside the meeting in accordance with Article 5, Section 5 of the Port Board By-Laws. Attention was called to Section 10104(b), Title 12, Guam Code Annotated, for the election of Chairman, Vice Chairman, and Secretary amongst its members.

II. ELECTION OF OFFICERS

Director Mendiola nominated Mr. Frank P. Arriola as Chairman of the Port Authority of Guam Board of Directors. There being no further nominations, the Vice Chairperson declared nominations closed. Director Mendiola made motion to elect Mr. Frank P. Arriola as Chairman of the Port Authority of Guam Board of Directors, seconded by the Vice Chairperson. Motion was unanimously passed.

The Chairman nominated Mr. Mark B. Mendiola as Vice Chairman of the Port Authority of Guam Board of Directors. There being no further nominations, Director Taitano declared nominations closed. Director Valencia-Ovalles made motion to elect Mr. Mark B. Mendiola as Vice Chairman of the Port Authority of Guam Board of Directors, seconded by the Chairman. Motion was unanimously passed.

The Vice Chairman nominated Ms. Fe R. Valencia-Ovalles as the Board Secretary of the Port Authority of Guam Board of Directors. There being no further nominations, Director Taitano declared nominations closed. Director Mendiola made motion to elect Ms. Fe R. Valencia-Ovalles as the Board Secretary of the Port Authority of Guam Board of Directors, seconded by the Chairman. Motion was unanimously passed.

III. APPROVAL OF MINUTES

1. **June 18, 2026 – Regular Board Meeting:** The Vice Chairman made motion to approve the minutes of June 18, 2026, subject to correction. The motion was seconded by Director Taitano and was unanimously passed.

IV. PUBLIC COMMENTS

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

On behalf of PAGGMA, Mr. Steve Muna, Contracts Management Administrator, announced that PAGGMA association filed its fiscal year 2025 tax filing and remain in good standing with Department of Revenue and Taxation. PAGGMA association is also gearing up for the Labor Day picnic scheduled for September 6. An invite was extended to all those present to PAG tent located behind the Guam Visitors Bureau. He also reported on a joint humanitarian relief initiative organized by PAGGMA, ATOSSCOM, and the Port of Long Beach in collecting non-perishable goods for the Commonwealth of the Northern Mariana Islands (CNMI), specifically Rota and Tinian, following the devastation caused by Typhoon Bavi. PAGGMA President Ray Santos is closely coordinating with the Shipping Agents to ensure those items are well received by the islands.

V. GENERAL MANAGER'S REPORT

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 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. 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 Admin 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 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.

VI. OLD BUSINESS

There were no items discussed under old business.

VII. NEW BUSINESS

1. **Approval of Fiscal Year 2027 Proposed Budget.** At this time, the Port's Chief Financial Officer Jose B. Guevara, presented the budget overview for FY 2027, as follows:

- The Port develops its annual budget from the ground up based on anticipated operational required and available financial resources: cargo and non-cargo revenue projections based on current performance and economic activity; determine personnel, maintenance, contractual, utility and other divisional requirements; identify CIP and major equipment projects that must commence or be procured during the fiscal year; and ensure the proposed budget supports operations, capital priorities, debt obligations and long-term financial sustainability.

- Zero-based approach to operating expenses – divisional requirements, finance review, justification and prioritization, affordability and port-wide review.

- Key factors supporting the FY2027 revenue projection: FY26 actual performance, strong container growth, significant breakbulk growth, shipping customer outlook, port modernization and reliability, major military construction, private and public construction, tourism and economic recovery, military buildup and force realignment, conservative growth assumptions.

- ***Port's Performance – Container Cargo***

Fiscal Year	Local	Stuff Transshipment	Empty Transshipment
2022	67,984	13,292	7,776
2023	68,073	11,811	5,743
2024	68,576	12,089	4,593
2025	65,230	13,205	5,139
2026	69,709	13,602	6,971

- ***Port's Performance – Non-Container/Breakbulk Cargos (tonnage)***

Fiscal Year	Domestic Vessel	Foreign Vessel
2022	25,746	115,721
2023	50,802	163,980
2024	97,765	113,295
2025	78,048	112,134
2026	76,962	154,711

- FY 2027 Financial Overview – Proposed Budget (m):
  Operating Revenue - $60.4
  Operating Expenses - $58.4
  Operating Income - $2.0
  Other Income/Expense - $4.9
  Net Income - $6.9
  Crane Net Income - $0.21
  FMF Net Income – $1.8
  Total Net Income/Loss - $8.7

- Debt service coverage ratio bond indenture agreement 1.25 ratio requirement. Projection for FY2026 at 1.92 and FY2027 at 2.6.

- Federal grant CIP projects:
  Three new STS gantry cranes - $60M
  Welding shop repairs and upgrades - $596K
  Generator maintenance and sustainment program - $331K
  Wharves service life extension: F2-F6 hardening project - $22.4M
  Fendering system hardening project - $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

- FY 2027 Proposed Budget (m)
  Operating Revenue - $60.4
  CIP Program - $25.17
  Federal CIP funding - $15.78
  Local CIP funding - $5.52
  Bond CIP funding - $3.8

In addition to the budget overview for FY 2027, the General Manager presented the Administrative and Miscellaneous provisions for Board's consideration to be incorporated into the Port's FY 2027 budget act.

Administrative Provisions

- additional spending authority; budget transfer and realignment authority; contract continuity and expiring agreements; vacancy pool and position management; federal grants, matching funds, and external funding authority; equipment and asset life cycle planning project; performance accountability and multi-year planning; and implementation of approved tariff adjustments.

Miscellaneous Provisions

- continuity during loss of board quorum; corporate services organization realignment; compensation market adjustment authority; port police hazard pay review and policy development authority; cargo handling equipment performance management contract authority; capital improvement program governance and implementation authority; bond financing and capital investment authority; and public utilities commission submission and continuity authority.

With respect to development of port properties, the Vice Chairman noted that the Board previously authorized management to proceed with the Emerald Bay Guam Ventures and Splash Village Ocean Park projects. He expressed hope that development is underway, emphasizing that these initiatives will generate port revenue and serve as new tourist attractions. He also requested a list of all port lease properties. The General Manager responded that there is movement in the projects and confirmed that a list will be provided.

The Vice Chairman made 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. The motion was seconded by Director Valencia-Ovalles and was unanimously approved.

2. **Adoption of Board Resolution No. 2026-06 Fuel Connectivity A&E Design Amendment No. 1.** The Vice Chairman made motion to approve 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. The motion was seconded by Director Taitano and was unanimously approved.

3. **Adoption of Board Resolution No. 2026-07 Black Construction Lease Extension.** The Vice Chairman made motion to approve 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 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. The motion was seconded by Director Taitano. Discussion followed, and the Vice Chairman inquired whether the lease extension for an additional five-year term is within statutory limits. Director Taitano recalled that Public Law 38-01

provides for government leases of up to 15 years. The General Manager replied that is correct, and stated that Black Construction's lease term is for a four-year period commencing on June 1, 2025, and expiring on May 31, 2029, with an additional period of one year option to extend. And, with the additional five-year term will result in an aggregate lease term of ten years from the original commencement date.

With no further discussion, the motion on the floor to approve 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 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 – was put to a vote and was unanimously approved.

4. **Adoption of Board Resolution No. 2026-08 KALS Restaurant Lease Extension.** The Vice Chairman made motion to approve 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. The motion was seconded by Director Valencia-Ovalles, and was unanimously approved.

5. **Adoption of Board Resolution No. 2026-09 Use of Vessel Ships Gear.** The Vice Chairman made motion to approve 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. The motion was seconded by Director Valencia-Ovalles. Discussion followed, the General Manager mentioned that in the event the Port cranes are unavailable, ocean carriers are able to utilize their vessel ship's gear to maintain cargo operations. For purposes of liability, the Vice Chairman asked whether the carriers maintain insurance coverage to protect against potential incidents while their vessel ship's gear is in use. The General Manager replied positively.

6. **Adoption of Board Resolution No. 2026-10 Moody's Rating.** The Vice Chairman made motion to approve 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. The motion was seconded by Director Valencia-Ovalles and was unanimously approved.

7. **Adoption of Board Resolution No. 2026-11 Acquisition of Port Vehicles.** The Vice Chairman made motion to approve 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, seconded by Director Valencia-Ovalles. The motion was unanimously approved.

8. **Request for Creation of Position – Assistant Personnel Services Administrator.** The Vice Chairman made motion to authorize management to proceed in the creation of position of the Assistant Personnel Services Administrator in accordance with Rule 5.015, Port Personnel Rules and Regulations and Section 6303(d), Title 4, Guam Code Annotated. The motion was seconded by Director Valencia-Ovalles and was unanimously approved.

9. **Adoption of Board Resolution No. 2026-12 Government Accountability Award Recognition.** The Vice Chairman made motion to approve 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. The motion was seconded by Director Valencia-Ovalles and was unanimously approved.

10. **Acceptance of Performance Evaluation of General Manager Rory Respicio for the period of January 2, 2025 to January 1, 2026.** The performance evaluation was presented to the Board and the Vice Chairman made motion to accept the performance evaluation of General Manager Rory Respicio for the period of January 2, 2025 to January 1, 2026. The motion was seconded by Director Valencia-Ovalles and was unanimously approved.

11. **Acceptance of Performance Evaluation of Deputy General Manager Dominic Muna for the period of January 2, 2025 to January 1, 2026.** The performance evaluation was presented to the Board and the Vice Chairman made motion to accept the performance evaluation of Deputy General Manager Dominic Muna for the period of January 2, 2025 to January 1, 2026. The motion was seconded by Director Valencia-Ovalles and was unanimously approved.

12. **Acceptance of Performance Evaluation of Deputy General Manager Pacifico Martir for the period of July 6, 2024 to July 5, 2025.** The performance evaluation was presented to the Board and the Vice Chairman made motion to accept the performance evaluation of Deputy General Manager Pacifico Martir for the period of July 6, 2024 to July 5, 2025. The motion was seconded by Director Valencia-Ovalles and was unanimously approved.

VIII. ADJOURNMENT

There being no further business to discuss, it was moved by the Vice Chairman and seconded by Director Valencia-Ovalles to adjourn the meeting at 5:25 p.m. The motion was unanimously passed.

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

APPROVED BY:

Frank P. Arriola, Chairman
Board of Directors

PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96915
Telephone: 671-477-5931/35 Facsimile: 671-477-2689/4445
Website: www.portguam.com

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

General Manager's Report for Board of Directors
November 6, 2026

1. **Grounded Container Issuance.** On September 8, 2026, the Port Authority of Guam advised its customers and trucking partners that the issuance of grounded containers through the Gatehouse was temporarily unavailable due to cargo handling equipment availability. The Port had one top lifter available for operations, which was dedicated to working the Matson Daniel K. Inouye vessel at dockside. As a result, the Port was unable to retrieve and issue grounded containers to truckers at that time. Gatehouse remained open, and other cargo transactions that did not require a top lifter continued. Port Equipment Maintenance personnel actively worked to return additional top lifters to service.

   Following day of September 9, the issuance of grounded container successfully resumed as the Port Equipment Maintenance personnel were able to repair and restore an additional top lifter to support the movement of cargo through the terminal.

2. **Open Gatehouse to Support Container Movement**. The Port Authority of Guam advised its customers and trucking partners that gatehouse will open on Saturdays during operational hours to provide additional opportunity to retrieve containers and move cargo out of the terminal and into the community. The Saturday open gatehouse was made available at no additional cost to customers, and no special services request were required. The additional Saturday open gate initiative provided greater flexibility for port users to retrieve essential cargo and sustain freight movement throughout the region.

   Saturday's Open Gatehouse was made available on September 12 & 19 and October 10. The Port Authority also made Gatehouse available during lunch hour on Wednesday and Thursday, October 21-22, 2026, respectively.

3. **Port Participates in Multi-Agency Strike Force Operation.** The Port Authority of Guam participated in a coordinated Multi-Agency Strike Force Operation (MASFO) on September 10, 2026, joining local and federal partners in conducting unannounced regulatory inspections of cargo containers at the Port terminal yard.

The operation, led by the U.S. Coast Guard, brought together the Port Authority of Guam, Guam Customs and Quarantine, the Coast Guard and other federal agencies as part of an ongoing collaborative effort to promote the safe and secure movement of cargo through Guam's commercial seaport. During the operation, containers were randomly selected for inspection, with participating agencies reviewing cargo for compliance with applicable safety and hazardous materials requirements. The joint operation also provided an opportunity for participating agencies to strengthen coordination and reinforce established procedures for identifying and addressing potential safety or regulatory concerns. Maintaining the safety and security of our Port and the cargo moving through our facilities requires strong coordination among all of the agencies responsible for protecting Guam's maritime operations. Operations like MASFO allow us to work alongside our local and federal partners, reinforce our procedures and ensure that we continue to maintain a safe and secure environment for our employees, Port users and the community we serve.

The Multi-Agency Strike Force Operation is a coordinated enforcement and compliance initiative that brings together agencies with responsibilities related to maritime safety, cargo security, hazardous materials and regulatory compliance. The Port Authority of Guam regularly works with its local and federal partners to support regulatory compliance and strengthen the safety and security of Guam's maritime transportation system. These partnerships are particularly important given the Port's critical role in maintaining the reliable flow of goods and commodities to the island. The Port Authority of Guam remains committed to working collaboratively with the U.S. Coast Guard, Guam Customs and Quarantine and other federal and local partners to safeguard Guam's supply chain and maintain safe, secure and efficient maritime operations.

4. **Valencia-Ovalles Appears Before Legislature for Port Board Confirmation.** Testimony was heard in support of the confirmation of Director Fe Valencia-Ovalles during a public hearing held September 18, 2026, before the 38th Guam Legislature. The hearing was held before the Committee on Transportation, Tourism, Customs, Utilities and Federal & Foreign Affairs, chaired by Senator Jesse A. Lujan. Valencia-Ovalles was appointed by Governor Lourdes Leon Guerrero to continue serving as a member of the Port Authority of Guam Board of Directors for a three-year term, subject to the advice and consent of *I Liheslaturan Guåhan*.

During the hearing, Board Chairman Frank Arriola offered testimony supporting Valencia-Ovalles' continued service on the Board. I also testified in support of her reconfirmation, providing the Committee with firsthand observations from my experience working with Valencia-Ovalles as a Port director. Her involvement does not begin when a meeting is called or end when the meeting is adjourned. She follows the issues before the Port, reviews the information provided to her, asks for clarification, and continues to follow matters after the Board has acted. She seeks to understand whether a decision is being implemented, whether circumstances have changed, and whether additional Board action may be required. Director Fe consistently asks how matters presented to the Board will affect Port employees. Those employees operate our equipment, maintain our facilities, secure the waterfront, manage public resources, and keep cargo moving. She also considers whether they have the training, tools, staffing, and support required to carry out the decisions made by the Board.

She has demonstrated sustained commitment, consistent follow through, and the ability to remain focused on the Port's mission. Valencia-Ovalles brings decades of experience in both the public and private sectors. Her professional background includes banking, finance, business management and government service. She has served in several Government of Guam positions and has extensive involvement with community and civic organizations. Her previous public board service includes the Guam Airport Authority and Guam Housing Corporation. Director Fe was sworn-in on October 29, 2026.

5. **Port and GVB Meet to Discuss Cruise Ship Arrivals and Visitor Initiatives**. Port Team and Guam Visitors Bureau, CEO Regine Bescoe Lee and Vice President/Deputy General Manager Frank Arriola as well as key GVB staff met on September 16, 2026 to discuss upcoming cruise ship arrivals and other initiatives involving Guam's tourism industry and Port facilities. The meeting provided an opportunity for both agencies to discuss their respective roles and strengthen coordination as Guam prepares for upcoming cruise ship visits. Discussions focused on preparations for cruise ship calls, including the coordination that takes place among the Port, GVB, vessel agents, and appropriate local and federal agencies. The agencies discussed vessel operations, security, visitor services, transportation, tours, arrival and departure activities, and other preparations necessary to welcome cruise passengers to Guam. Discussion also included visitor-facing facility initiatives intended to improve the experience of passengers and other Port users.

Port officials also shared information on the Port's QR Code Bathroom Program, an initiative developed to make it easier for Port users and visitors to report restroom maintenance and facility concerns. An overview was provided on the program's development, including the QR code and signage, online reporting system, routing of reports to the appropriate divisions, and the process for tracking reported issues through resolution. Maintaining strong coordination with GVB is important as we prepare for upcoming cruise ship arrivals and look at ways our agencies can work together. These meetings allow us to share information, identify what each agency needs and make sure we are coordinated as we welcome visitors to Guam. The Port and GVB will continue working together on preparations for upcoming cruise ship visits and other initiatives that support Guam's visitor industry.

6. **Port Builds Upon 35-Year-Old Equipment Safety and Accident Review Policy.** The Port Authority of Guam is building upon a 35-year-old equipment safety and accident review policy with a comprehensive update designed to strengthen employee safety, equipment accountability, operational reliability and management follow-through. Policy Memorandum No. 2026-GM04, effective September 30, 2026, builds upon and supersedes prior versions of General Manager Policy Memorandum No. 02-91, originally issued in 1991. The revised policy establishes clearer responsibilities and procedures from the initial reporting of an accident, incident or equipment condition through technical evaluation, investigation, management action, corrective action and documented closeout. This is not about creating a new system where none existed before. The Port has had an equipment safety and accident review policy for 35 years. We are building upon that foundation so responsibilities are clearer, decisions are based on documented facts, and approved actions are followed through to completion.

   A central feature of the revised policy is the distinction between routine equipment condition and serviceability matters and accidents, incidents, injuries or damage requiring formal investigation. Routine equipment conditions ordinarily proceed through Equipment Maintenance for technical evaluation and return-to-service determination, while matters requiring formal investigation proceed through the appropriate investigative process. The policy makes clear that Equipment Maintenance has technical authority to determine whether equipment is safe and serviceable. Once equipment is determined to be serviceable, Operations or Transportation may deploy it within their respective authority, while the General Manager retains authority to direct the deployment, reassignment or operational use of serviceable Port equipment. No official outside Equipment Maintenance may override a technical determination that equipment is unsafe or unserviceable.

The revised policy also establishes a specific process when previously unreported damage is discovered during inspection, maintenance, repair or equipment turn-in. A technical determination that damage warrants further investigation does not determine when the damage occurred, who caused it, or whether an accident, misuse, negligence or misconduct occurred. Those questions are determined through subsequent investigation and review based on documented facts. Acting Equipment Maintenance Manager Shine San Agustin initiated the review of the longstanding policy as the Port examined opportunities to strengthen its equipment reporting, serviceability and accountability processes.

The revised framework preserves the distinct responsibilities of Port Police, Safety, Equipment Maintenance, Personnel Services and operational management. It also establishes responsibilities for Division Heads to preserve relevant information, cooperate with investigations, address immediate operational or safety conditions, follow through on assigned matters and implement approved corrective actions, while prohibiting management from predetermining fault or interfering with the investigative process. Accountability has to work in every direction. Employees have a responsibility to report accidents, damage and equipment concerns, but supervisors and management also have a responsibility to act, document, communicate, escalate when necessary and follow through. Position or rank does not remove anyone from that responsibility.

The policy expressly provides that accountability is not limited to the employee operating equipment or involved in the initial event. Actions or inactions by supervisors, managers, Division Heads, Deputy General Managers, the General Manager and other responsible officials may also be reviewed when relevant. The updated policy also strengthens the Accident Review Board process. The ARB will continue to bring together Safety, Port Police, Equipment Maintenance, Operations, Transportation, Personnel Services, Finance and management, while allowing the Harbor Master, Commercial Manager, Marina Manager and appropriate CIP or Engineering representative to participate as voting members when a matter requires their specific expertise. The policy also establishes voting, quorum, conflict and tie procedures for ARB proceedings.

The revised policy reinforces protections for good-faith equipment reporting. A mechanical breakdown does not by itself constitute an accident, and a determination that a reported condition could not be replicated or that equipment is serviceable does not by itself establish employee misconduct. The Port's equipment operators are often

the first to identify equipment concerns, and we want them to report what they see without hesitation. This policy gives operators, dispatchers and supervisors a clearer process to follow while making sure the technical determination is made by our maintenance professionals. This updated policy is fair and practical because reporting a problem does not automatically mean an employee did something wrong. The facts determine what happens next.

Similarly, an employee cannot be required to reimburse the Port merely because an accident occurred, equipment was damaged, or the employee possessed or operated the equipment when damage was discovered. Any employee financial responsibility must be supported through the applicable review process and include applicable notice and an opportunity for review or hearing. The policy is part of the Port's continuing response to recent cargo handling equipment challenges. The Port has ordered approximately $208,000 in equipment parts, supplemented its maintenance workforce with three Heavy Equipment Mechanic IIs through its temporary staffing services contract with Alliance, LLC, and partnered with LMS to provide two additional mechanics and technical assistance. Five additional equipment operators hired through the Port's temporary staffing services contract with Alliance, LLC also began work September 28, 2026.

Our equipment is aging, but our response cannot be. We are putting people, parts and technical support into the immediate recovery effort while strengthening the policies that govern how equipment issues are reported, evaluated and resolved. This is about stabilizing operations today and leaving behind a stronger system for the next generation of Port employees and leaders. Policy Memorandum No. 2026-GM04 takes effect September 30, 2026. Existing specialized policies and procedures governing personnel matters, the Disciplinary Review Board, Drug-Free Workplace requirements, workers' compensation, insurance and claims, records and other specialized functions remain in effect except where appropriately amended.

7. **Port Presents $417 Million Readiness Infrastructure Package During Federal Interagency Meetings in San Francisco.** The Port Authority of Guam presented a $417 million package of critical infrastructure requirements to federal officials during interagency meetings held in San Francisco the week of September 21, emphasizing that the readiness of Guam's only commercial deepwater port is directly connected to the nation's military readiness in the Indo Pacific.

Board Vice Chairman Mark Mendiola led the Port Authority of Guam delegation participating in the federal interagency discussions. Joining Vice Chairman Mendiola were Board Member Conchita Taitano, Chief Financial Officer Jose Guevara and myself. The Port delegation participated in one-on-one meetings with federal officials to discuss specific infrastructure requirements, available federal authorities and potential pathways to advance the Port's priority projects. Director Taitano led the Port's discussion with U.S. EPA Region 9 on advancing the next phase of the Port's resilience work. The meeting focused on building upon the Port's Clean Ports investments to pursue additional assessment and design funding for the seawall, erosion near the terminal entrance, and other resilience needs affecting continued Port operations. Taitano emphasized the importance of moving from vulnerability assessment into project development and identifying federal funding pathways that could support the next phase of resilience planning and design.

The Port delegation also met with the U.S. Economic Development Administration to discuss potential grant opportunities that could support the design and construction of warehouse facilities at the Port. Vice Chairman Mendiola identified warehouse development as an area he is interested in pursuing further with the Board and management as the Port evaluates future capacity, cargo support and economic development needs. The Port's presentation, titled "Port Readiness is Military Readiness: Critical Infrastructure for the Indo Pacific Region," identified seven priority infrastructure projects with an estimated funding requirement of $417 million between 2027 and 2030. The presentation was delivered on September 23, 2026.

Governor Lou Leon Guerrero, who is leading the Government of Guam delegation, underscored the importance of the federal engagement, by stating, "This inter-agency process is necessary to lay the groundwork for eventually convening an Economic Adjustment Committee (EAC)." The process brings Government of Guam officials together with federal counterparts to present data and assessments regarding the impacts of increased military construction, spending and defense activities on the island.

Federal partners were informed that the Port functions as the common logistics gateway for Guam's civilian economy and the expanding defense mission. Approximately 90 percent of the goods entering Guam move through the Port, with an estimated 30 percent of cargo related to military activity. But the significance goes beyond cargo volume. Military and commercial vessels use the same harbor, civilian and defense cargo move through the same terminal infrastructure, and fuel moves

through Port facilities. The Port therefore sits at the intersection of civilian commerce, energy and health security, military logistics and defense readiness. This is the One Guam approach in practical terms. Civilian and military requirements depend on the same critical infrastructure, capacity and operating system. If the Port is not ready, the military is not ready, and if the Port becomes the constraint, it becomes the choke point for the entire military buildup. The Port supports Marine Corps Base Camp Blaz, Naval Base Guam, Andersen Air Force Base, the Guam National Guard, as well as strategic sealift, prepositioning, sustainment and force posture operations. That shared logistics system also makes the Port essential to civilian commerce and the movement of food, fuel, medicine and other necessities required by the community.

The Port identified seven priority projects necessary to sustain that system: rehabilitation of F2 through F6 wharves, crane rail system and tie down improvements, replacement of Golf Pier, replacement of F1 Pier, replacement of the Area A fuel tank facility, cybersecurity and terminal operating system upgrades, and capital and maintenance dredging. I emphasized that the projects should not be viewed as seven unrelated capital requests. The wharves, cranes and crane support systems function together as one cargo handling system. Golf Pier, F1 Pier, the fuel connectivity line and Area A form an integrated fuel system supporting fuel movement, storage, redundancy and surge capacity. Cybersecurity, terminal systems and dredging support the digital and physical infrastructure necessary to keep the entire system operating. These are not seven unrelated projects. They are one operating system.

The presentation also highlighted the risks associated with aging infrastructure and potential single points of failure. According to the Port's analysis, the loss of one ship to shore gantry crane could set back the military readiness program by up to four years. The Port has already begun addressing that vulnerability. MARAD announced a $59.6 million Port Infrastructure Development Program grant toward the acquisition of three new ship to shore gantry cranes, with the Port providing $14.9 million as its share. The Port called for continued federal investment through existing defense and maritime programs and highlighted the Port of Guam Improvement Enterprise Program under 48 U.S.C. § 1421r as an existing federal framework that can support Port rehabilitation and modernization. The Port also urged continued procurement flexibility for Guam, including Buy American waivers where necessary because of the island's geographic and logistical circumstances.

The Port clarified that the funding references associated with the package identify potential federal funding authorities and should not be interpreted as committed Port or private funding for the identified requirements.

The Port identified federal agencies whose existing responsibilities align with the proposed projects, including defense agencies for military mobility and logistics, the U.S. Department of Transportation for Port rehabilitation and modernization, the Department of Homeland Security for resilience and cybersecurity, the Department of Energy for fuel infrastructure and energy security, and the Department of Commerce for digital infrastructure and economic resilience. I also emphasized that the Port's infrastructure requirements must be viewed within the Governor's broader strategic framework for addressing the impacts of the military buildup. The Governor's strategic framework recognizes that Guam's priorities are interconnected. Healthcare, including the Guam Medical Complex, utilities, transportation and roads, the airport, energy security, housing, environmental resilience, workforce capacity, cybersecurity, the Port and the defense mission all depend on one another in responding to the impacts of the buildup. These are not competing priorities. They are core requirements within the Governor's strategic framework and are necessary to ensure Guam is ready and able to support the defense mission.

The current federal interagency process builds upon the earlier Economic Adjustment Committee effort addressing the impacts of the military buildup on Guam. That process resulted in a comprehensive assessment of civilian infrastructure needs associated with the relocation of Marine Corps forces and identified areas where federal assistance and investment were necessary, including water and wastewater infrastructure, the Guam Public Health Laboratory and the Guam Cultural Repository. The current engagement is an incremental federal process intended to identify available agency capabilities, determine where additional support may be needed and establish a framework for subsequent EAC consideration.

The historical experience demonstrates that military readiness on Guam has long required federal attention to the civilian infrastructure that supports the defense mission. The current engagement provides an opportunity to examine those requirements again as military construction, operations and associated demand continue to grow. The Port's participation in the federal discussions provides an opportunity to ensure federal decision makers understand both the scale of Guam's maritime infrastructure requirements and how those requirements connect to broader island readiness.

The consequence of underinvesting in the Port is not confined to the Port. It affects the systems Guam depends on every day, including fuel, power, healthcare, transportation, construction and military logistics. The Port Authority of Guam will continue working with the Government of Guam, federal agencies and Guam's congressional representative to advance infrastructure investments necessary to support the island's civilian and military requirements. Our ask is an investment in readiness. Port readiness is military readiness. Strengthening the Port strengthens Guam's ability to serve our community and support the defense mission.

8. **Port General Manager Confirmed to AAPA Board of Directors as Inaugural Americas Region Director.** I am honored to have been unanimously confirmed by the Board of Directors of the American Association of Port Authorities (AAPA) as the inaugural Americas Region Director, marking a significant milestone for Guam and expanding representation for ports located outside the continental United States in the national maritime organization's leadership.

   The new Americas Region Director seat marks AAPA's 11-member on its Board of Directors, providing Guam and other ports in the Americas Region with dedicated representation in an organization that plays a leading role in shaping national port policy, infrastructure investment, maritime security, and industry priorities. It was established through AAPA's Amended and Restated Bylaws, adopted and effective September 25, 2026. The governance changes created dedicated representation for voting-eligible member ports located outside the continental United States, ensuring their unique operational challenges, infrastructure needs and strategic priorities have a stronger voice within the association.

   AAPA President and CEO Sang Yi welcomed my confirmation and emphasized the importance of expanding regional representation, by stating, "Rory is a respected leader in the maritime industry, and AAPA is proud to welcome him to the Board in this newly established role. "Creating dedicated representation for the members outside the continental United States strengthens AAPA's ability to unite American ports to advance our industry's shared interests."

   I appreciate the leadership of President and CEO Sang Yi and the AAPA Board of Directors in expanding regional representation. My responsibility is to listen, understand members' priorities and ensure their perspectives are represented. For the Port of Guam, this is an opportunity to strengthen relationships with ports throughout the country, bring our unique experiences and perspectives to the

national stage, and support AAPA's continued advocacy for the infrastructure, security and resilience needed to ensure port readiness. For Guam, this appointment represents an opportunity to elevate the island's role in national discussions surrounding maritime infrastructure, supply chain resilience and the strategic importance of ports throughout the Pacific and the Americas.

Since assuming leadership of the Port Authority of Guam as General Manager in 2019, I have overseen significant progress in infrastructure modernization, financial management, environmental sustainability and institutional accountability. Under my tenure, the Port has maintained positive investment-grade bond ratings, advanced major capital improvement initiatives and earned recognition for excellence in government accountability, reflecting an emphasis on transparency, responsible financial stewardship and sound governance. I have also strengthened the agency's relationships with federal partners and national maritime organizations while advocating for greater recognition of Guam's strategic importance to the nation's supply chain and defense infrastructure.

My involvement with AAPA extends beyond my appointment to the Board. Throughout my tenure, I have actively advocated for policy changes that benefits ports nationwide. This includes urging AAPA to support a Buy American waiver addressing infrastructure procurement challenges shared by ports across the country. I have also been engaged in Clean Ports initiatives supporting cleaner cargo-handling equipment, emissions reduction, energy transition planning and long-term port sustainability. These efforts align with AAPA's POWERS initiative, which emphasizes energy, resilience and sustainability throughout the maritime industry. I have consistently advocated for greater federal recognition of the critical role strategic ports play in national security, military readiness, supply chain resilience and emergency response. My advocacy has emphasized the importance of ensuring that federal infrastructure investments reflect the expanding commercial and national security responsibilities of ports such as Guam.

As the westernmost commercial seaport under the United States flag, the Port Authority of Guam occupies a critical position in the Indo-Pacific, supporting civilian commerce, military readiness, disaster response and regional economic stability. Its location and operational responsibilities provide a unique perspective on the challenges facing ports that serve geographically isolated communities while supporting broader national security objectives.

For years, I have been a strong advocate for meaningful representation of ports located outside the continental United States within AAPA's governance structure. This makes my confirmation as the inaugural Americas Region Director particularly significant. The AAPA Board of Directors provides leadership and governance for the association, which represents port authorities and maritime industry partners throughout the Americas. Through advocacy, education, research and collaboration, AAPA works to advance policies and investments that strengthen the maritime industry and the communities served by its member ports. Ultimately, my confirmation represents another milestone in the Port Authority of Guam's growing national engagement and reinforces Guam's role in discussions shaping the future of America's maritime infrastructure, port security and economic resilience.

9. **October 2, 2026 High-Wind Incident Involving Gantry Cranes.**

- **October 2, 2026 — Incident.** At approximately 9:00 to 9:30 p.m., Gantry Crane 6 moved from its secured position during a high-wind event and traveled approximately 1,000 feet along the crane rail. During that movement, Gantry Crane 6 made contact with Gantry Cranes 5 and 4. No injuries were reported. At the time of the incident, Guam was under a Wind Advisory. No tropical storm watch or warning was in effect. The crane anemometers later recorded wind speeds of approximately 100 mph and 83 mph. Those readings, the condition of the equipment, and the circumstances surrounding the movement remain part of the incident review.

- **Immediately Following the Incident.** The Port secured the affected area, notified the U.S. Coast Guard, and began coordinating technical inspections, repairs, and recovery activities. The incident was referred to the Port's Accident Review Board under Policy Memorandum 2026-GM04. The Board's review is intended to establish the facts, assess applicable procedures and equipment conditions, and recommend corrective measures. The review is separate from the cranes' technical repair and certification process. Materials were also provided to the U.S. Coast Guard Captain of the Port.

- **October 4–6, 2026 — Re-Railing and Initial Repairs.** Gantry Crane 5 was re-railed on October 4, 2026. Gantry Crane 4 returned to service on October 5, 2026, following repairs and inspection.

  Gantry Crane 6 was re-railed on October 6, 2026. Additional repairs, inspections, load testing, and certification work continued before the crane returned to service.

- **October 14, 2026 — Gantry Crane 6 Returns to Service.** Gantry Crane 6 returned to service on October 14, 2026, after completing repairs, load testing, inspection, and recertification.

- **October 20, 2026 — Conditional Certification of Gantry Crane 5.** Gantry Crane 5 sustained damage requiring substantial repair. Four replacement motors were installed, followed by additional mechanical work and testing.

  After inspection and successful load testing, Gantry Crane 5 received conditional certification and returned to cargo service. Under that certification, the crane may handle cargo while additional repairs continue.

  Gantry Crane 5 cannot travel along the dock rails under its own power. Port personnel must reposition it manually as needed. Full mobility and unrestricted certification remain dependent on completing the remaining repairs and inspection requirements.

- **Ongoing Review and Corrective Actions.** The Accident Review Board's review remains ongoing. The review will address the circumstances of the incident, equipment condition, wind monitoring, equipment-securing procedures, reporting, and return-to-service decisions. The incident underscored the importance of clear equipment-securing procedures, reliable wind monitoring, prompt reporting, and documented return-to-service decisions. Management will continue to provide the Board with material findings and corrective actions as the review and remaining Gantry Crane 5 work proceed.

10. **Port and NWS discuss high winds and crane readings.** The Port Authority of Guam met with National Weather Service (NWS) Guam on October 9 to review the high-wind event that led to the gantry crane incident at the Port. The discussion brought together the Acting Equipment Maintenance Manager Shine A. San Agustin, myself and NWS meteorologists William Brandon Aydlett and Marcus Landon Aydlett.

    During the meeting, NWS officials said the wind readings recorded on the Port's cranes were plausible. The crane gauges registered winds of 100 mph and 83 mph during the event. NWS officials explained that a weather balloon launched at 9 p.m. on October 2 measured winds of about 70 mph. The crane incident occurred at approximately 9:30 p.m., about half an hour later.

The NWS representatives said winds measured above the surface, combined with the way wind can funnel around the cranes, could help explain why the crane-mounted gauges recorded higher speeds. The discussion gave Port and NWS officials an opportunity to compare the balloon measurement with the readings taken at the cranes and consider how conditions at the Port may have influenced the recorded gusts. Meeting with the National Weather Service gave us an opportunity to compare the conditions measured above the Port with the readings recorded on our cranes. That information helps us better understand how the high winds may have affected the cranes and reinforces the importance of monitoring weather conditions as we carry out port operations.

The meeting also covered how weather is monitored at and around the Port. Officials discussed regional wind-monitoring stations and the wind gauges installed on the cranes. The crane gauges provide readings at the equipment itself, while weather stations and balloon observations offer information from other locations and heights. Looking at these sources together can help build a clearer picture of conditions during an event.

11. **Port Preparedness, Response, and Recovery for Typhoon Champi.** The Port began preparations for Typhoon Champi on October 12, 2026, as forecasts and official advisories indicated a potential threat to Guam and the Mariana Islands. Preparations included securing Port facilities and equipment, reducing container stacks to two high, coordinating vessel and cargo operations, protecting refrigerated containers, preparing generators, and documenting conditions before the storm.

    The U.S. Coast Guard Captain of the Port established Port Heavy Weather Conditions culminating in Zulu. As the Port moved toward the more restrictive conditions, cargo operations were suspended and all three gantry cranes were secured. Gantry Crane 5's ongoing repair work was paused so crews could prepare it for the storm. Before the weather deteriorated, the yard inventory was reconciled at 1,660 containers: 1,315 empty containers, 345 full containers, and eight refrigerated containers.

    The Port coordinated with vessel operators, the Coast Guard, Customs, tug providers, and other partners as vessel schedules and operating windows changed. During this period, APL Islander cargo work was completed at H-Wharf with coordination and support from Customs and Chief Ike Peredo. The Port documented the cargo movement. Storm riders and division representatives maintained communications with the EOC, reporting operational conditions, resource needs, safety concerns, and impacts.

Typhoon Champi passed approximately 13 to 15 miles south of Guam. After conditions permitted an initial assessment, reports indicated that all three gantry cranes remained in their secured positions and had not shifted. Route 11, the Port Access Road, was passable in the initial report. Island power was lost at 5:06 a.m., and the Port operated on generator power before island power was restored. Personnel also worked to maintain power to the refrigerated containers remaining in the yard.

The initial assessment identified damage to the welder's overhang area and contractor construction material that had collapsed in the same area. At the time of the initial report, no damage to the building or Port property was apparent. A separate assessment reported that the previously documented damage at Area A remained self-contained. The GSY floating barges appeared to have remained in place. These were preliminary observations, and detailed inspections and damage assessments continued as conditions allowed.

The Port resumed gatehouse cargo releases on October 19, 2026, while remaining subject to the Captain of the Port's heavy-weather restrictions. The Coast Guard later restored normal Port operating status under PHWC Whiskey, allowing vessels to enter, depart, and transit the harbor during both daytime and nighttime hours. Cargo handling and post-storm inspections continued alongside one another. The Port also coordinated vessel scheduling, tug availability, fuel-bunkering timing, reefer support, and employee accountability and welfare checks.

The Port is documenting preparedness, closure, staffing, overtime, restoration, contractor, and vessel-operation costs for its parametric insurance claim and business-interruption records. The potential parametric payout discussed during the EOC process was an estimate, not a confirmed payment. Eligibility and the final amount depend on the policy terms, the insured location, and verification of the storm's track and wind parameters. Finance is compiling supporting records, and the Port is preparing the required notice and financial-loss documentation.

We appreciate the work of Port employees, storm riders, division heads, tenants, contractors, and government partners, including Mr. Chairman you, our board members, legislative oversight chair Sen. Jesse Lujan and Governor Lou Leon Guerrero, who either prepared the facility and supported our response. Detailed damage assessments, repairs, claim documentation, and after-action review remain underway. Management will provide the Board with verified findings and any material recovery or claim developments.

12. **The Port Authority of Guam Featured in Pacific Ports Magazine.** The Port Authority of Guam is featured in the October 2026 edition of *Pacific Ports*, the official magazine of the Association of Pacific Ports (APP), in a four-page article highlighting the Port's long-term modernization strategy, operational resilience, infrastructure priorities and critical role in regional commerce and national security. The article, titled "Port Authority of Guam Sets Course for Long-Term Modernization and Resilience," appears in the magazine's Industry Insights section which was presented during the Association of Pacific Ports' 112th Annual Conference held on Guam.

    The publication serves ports encircling the Pacific Ocean, providing industry professionals with information on maritime operations, infrastructure development, emerging challenges and initiatives affecting the region's port industry. The feature examines the Port Authority of Guam's efforts to balance daily cargo operations with a comprehensive modernization program designed to strengthen Guam's only commercial seaport and ensure its continued ability to support the island's economy, civilian needs and national security requirements.

    A central theme of the article is the Port's importance as Guam's economic lifeline and a strategic logistics hub connecting the United States, Asia and neighboring island communities throughout Micronesia. With more than 90 percent of Guam's imported goods moving through the Port, maintaining reliable operations remains essential to the island's economic stability and security. The magazine highlights the Port's presentation, "Spotlight on the Port Authority of Guam: Operations, Infrastructure & Vision," which outlines operational performance trends, capital investment priorities, financial management, workforce development and long-term resilience.

    Among the major infrastructure initiatives featured are the replacement of ship-to-shore gantry cranes, rehabilitation of the fuel pier, hardening of Wharves F2 through F6, improvements to Hotel Wharf, enhancements to Area A fuel storage, terminal operating system upgrades, cybersecurity improvements and replacement of obsolete facilities. The article also emphasizes the importance of maintaining cargo movement while major construction and modernization projects are underway, as well as, the need for careful project sequencing, contingency planning and coordination to minimize operational disruptions while critical infrastructure improvements are completed. Financial discipline and institutional accountability are also prominently featured, with the magazine highlighting the Port's focus on clean audits, debt-service coverage, responsible budgeting and governance practices that support long-term capital investments. The publication further examines the Port's workforce priorities,

including succession planning, cross-training, employee safety and preserving institutional knowledge. These initiatives are essential to ensuring that investments in equipment and infrastructure are supported by skilled personnel capable of maintaining reliable operations. Energy resilience, sustainability, fuel security and civilian and defense readiness are also identified as long-term priorities, reflecting the Port's increasingly important role in Guam's strategic position in the Western Pacific.

The article includes photographs of myself delivering the presentation, along with a photograph featuring Port Board Vice Chairperson Conchita Taitano, an APP Immediate Past President, and Port Chief Financial Officer Jose Guevara. It also features graphics illustrating Guam's role as a regional maritime hub and the Port's major capital investment priorities. The four-page feature provides the broader Pacific maritime community with an overview of the Port Authority of Guam's modernization agenda and its commitment to strengthening operational reliability, financial sustainability and regional connectivity.

13. **Port's FY 2027 Insurance Renewal and Review of Directors and Officers Coverage.** The Port's FY 2027 insurance renewal secured lower annual premiums while accommodating higher insured property and equipment values and adding wind parametric protection. Management is also pursuing a more detailed review of Directors and Officers liability coverage to ensure the Board and management understand the protections available as we continue strengthening the Port's governance and operating practices.

    Based on the renewal schedule reviewed by Chief Financial Officer Jojo Guevara, total annual premiums decreased from $5,475,085.39 in FY 2026 to $5,366,715.81 in FY 2027, producing savings of $108,369.58.

    Property Insurance accounted for the principal reduction, decreasing by $110,187.97, from $4,997,171.16 to $4,886,983.19. This reduction was achieved while insured property and equipment values increased by $2,875,470, or approximately 0.58%, to $495,843,791. An increase of $1,818.39 in Automobile Insurance partially offset the property premium savings. The other listed insurance premiums remained unchanged.

    Our direct engagement with insurance underwriters provided an opportunity to explain the Port's operations, infrastructure, risk management practices, and resilience measures. Based on the September 23, 2026 insurance discussions, this

engagement, together with improving market conditions and increased insurer participation, contributed positively to the renewal outcome. We recognize AM Insurance and its industry partner, Alan Rixon, for their work in securing these terms.

The renewal maintains a $55 million property coverage limit per occurrence. This limit is distinct from the approximately $495.8 million in declared property and equipment values. The renewal schedule also identifies a property deductible of $100,000 per loss, with a separate deductible of 1.75% of total insured values, subject to a $7.5 million minimum, for earthquake, flood, and windstorm losses.

The insurance package includes $7.5 million in aggregate wind parametric coverage. This product provides a scheduled payout when specified storm intensity and distance thresholds are met, using Joint Typhoon Warning Center one minute maximum sustained wind data. It supplements the Port's property protection, but the amount payable depends on the applicable trigger and payout tier. The $7.5 million represents the aggregate limit, rather than an automatic payment following a typhoon.

Following the insurance meeting led by Director Fe Valencia-Ovalles, with CFO Guevara participating, I requested a comprehensive assessment of the current Directors and Officers liability policy. The renewal schedule lists a $5 million liability limit, a $2 million Employment Practices Liability sublimit, and deductibles of $10,000 generally and $75,000 for employment practices claims. The full policy and endorsements must establish how those protections apply.

The requested assessment will address insured persons and entities, coverage triggers, the definition of a claim, limits, deductibles or retentions, defense costs, major exclusions, reporting requirements, and other material conditions. It will also identify potential gaps affecting the Port, Board members, officers, division managers, deputy general managers, and the General Manager.

This review is particularly relevant as we identify and correct longstanding practices, apply policies consistently, strengthen accountability, and improve established procedures. Corrective decisions can generate claims even when undertaken in good faith and in the organization's best interests. We therefore need a clear understanding of how the policy responds to governance, disciplinary, procurement, personnel, and other institutional decisions.

The objective is to identify coverage needs well before the next renewal and provide the Board with a sound basis for evaluating any recommended changes. Lower premiums are a positive result, but effective stewardship also requires us to understand the protection purchased, its limitations, and the responsibilities necessary to preserve coverage.

14. **Development of an RFP for Independent Insurance Claims and Risk Advisory Services.** Management is developing a Request for Proposals to secure independent professional assistance with insurance claims, loss assessment, and related risk management needs. The Port previously had this type of support, and the proposed procurement would restore that capability within a clearly defined scope of services.

    The objective is to strengthen the Port's ability to document losses, evaluate available coverage, prepare and support claims, and pursue recovery under its insurance policies. These services would support management and the Chief Financial Officer in coordinating with the Port's insurance broker, insurers, technical specialists, and legal counsel.

    The recent crane incident and Typhoon Champi underscore the importance of having qualified assistance available when losses occur. Equipment damage, operational disruption, emergency expenditures, and recovery work require timely documentation and careful evaluation against the applicable policy provisions.

    Development of the RFP will include reviewing the Port's former arrangement to determine its scope and effectiveness, identifying current needs, and establishing appropriate qualifications, deliverables, compensation terms, and conflict of interest safeguards. The scope should clearly distinguish a professional representing the Port's interests from an adjuster appointed by an insurance company.

    The proposed services would include assistance with loss documentation and valuation, claims preparation and tracking, review of insurer assessments, and recommendations to improve the Port's readiness for future claims. Any role involving claim negotiations or settlements would be expressly defined, with decision making authority retained by the Port. The RFP remains under development. Before issuance, management will finalize the scope, confirm funding and applicable procurement requirements, and determine whether an ongoing engagement or services activated as needed would best serve the Port.

This initiative complements the insurance renewal and coverage review. Our responsibility extends beyond purchasing insurance to ensuring that the Port can effectively use the protection it has secured.

15. **Port Secures FY2027 Procurement Authority, Reinforcing Accountability.** The Port Authority of Guam has once again secured its delegation of procurement authority for Fiscal Year 2027, marking another year of continued confidence in the agency's ability to independently manage its purchasing responsibilities while upholding the highest standards of accountability, transparency and compliance with Guam's procurement laws. The renewed authority represents more than an annual administrative approval. It is a continuation of an important institutional achievement under the Port's Administration current leadership, during which the Port regained procurement authority that it previously did not possess and has worked diligently to preserve ever since.

    Since regaining this authority, the Port has placed strong emphasis on responsible stewardship of public funds, adherence to procurement regulations and strengthening internal processes to ensure that purchasing decisions are conducted properly, efficiently and in the best interest of the agency and the people of Guam. The latest delegation was issued on September 30, 2026, by Department of Administration Acting Chief Procurement Officer Andriana Quitugua through the General Services Agency. It authorizes myself, as the Port General Manager, to serve as the Port's purchasing agency from October 1, 2026, through September 30, 2027.

    With this authority, the Port can continue managing the procurement of supplies, materials and services necessary to sustain daily operations, maintain critical equipment and advance infrastructure improvements at Guam's only commercial seaport. This responsibility is particularly important as the agency continues implementing its modernization priorities and pursuing improvements that strengthen the reliability and resilience of port operations. The delegation carries significant responsibilities. The Port must continue complying with Guam's procurement laws and regulations, utilizing established government procurement procedures, maintaining proper documentation and submitting required records to GSA. The agency's procurement activities also remain subject to periodic review to ensure continued compliance.

For the Port, maintaining this authority year after year is an important measure of institutional progress. What was once a responsibility administered outside the agency has become an essential function that the Port continues to exercise under established government oversight. As the Port enters FY2027, retaining this authority takes on even greater significance as the agency advances an ambitious slate of capital improvement and modernization initiatives. Among its priorities are the acquisition of new ship-to-shore gantry cranes, rehabilitation and hardening of aging wharf infrastructure, fuel pier improvements, upgrades to critical facilities and equipment, and enhancements to the Port's terminal operating and security systems.

These projects represent significant investments in the future of Guam's only commercial seaport and will require careful procurement planning, coordination and oversight. Maintaining delegated procurement authority places the Port in a stronger position to manage its purchasing responsibilities, support timely project implementation and ensure that public funds are administered in accordance with established laws and regulations. For the Port, the continued delegation is both a testament to the progress made under Respicio's leadership and a responsibility that carries forward into another consequential year. As modernization efforts move from planning toward execution, the Port remains committed to demonstrating that the authority it worked to regain continues to be exercised with accountability, integrity and responsible stewardship of public resources.

16. **Port Celebrates 51 Years of Service with Weeklong Celebration.** The Port Authority of Guam celebrated its 51st anniversary from October 26 through October 30, 2026, with a weeklong series of activities honoring the Port's history, employees, retirees, and continued commitment to serving the people of Guam. This year's Port Week celebration, held under the theme "One Port. One Fight. One Future.," highlighted the unity, resilience, and shared commitment of the Port Strong workforce as the agency continues its mission of supporting Guam's economy, strengthening critical infrastructure, and serving as the island's primary commercial lifeline.

    The celebration officially began on Monday, October 26, with an Opening Ceremony featuring a flag-raising ceremony, the traditional parade of trucks, a proclamation presentation by Governor Lou Leon Guerrero, and a certificate presentation by Legislative Oversight Chairperson Senator Jesse A. Lujan. The Opening Ceremony also included a special recognition of Port retirees, honoring their years of dedicated service and the contributions they made to the agency's growth and success. Their commitment helped build the foundation upon which today's Port Strong workforce continues to serve the island.

Throughout the week, employees participated in various sporting events and activities designed to promote teamwork, camaraderie, and friendly competition among the Port's divisions. The activities provided employees with opportunities to come together outside their daily responsibilities and celebrate the spirit of unity reflected in this year's theme.

The weeklong celebration concluded on Friday, October 30, with the Grand Finale and Employee Recognition Ceremony held at the LeoPalace Resort's Zefiro Ballroom. The evening brought together Port employees, management, and leadership to celebrate the agency's 51st anniversary and recognize outstanding performance, professional achievements, years of dedicated service, and employee commitment.

Among the evening's highlights was the presentation of the 2026 Employee Recognition Awards.

Employee Award Recipient	**Award Recognition**
Kirida Charfauros, Buyer I	Employee of the Year – Category I
Jacqueline Cruz, Program Coordinator III	Employee of the Year – Category II
Malaina-Jashae Blas, Welder I	Employee of the Year – Category II
Mark Cabrera, Buyer Supervisor	Supervisory of the Year – Category I
David Roberto, Jr., Transportation Leader	Supervisory of the Year – Category II
Earl Aquai, Welder Leader	Supervisory of the Year – Category II
Port Police Division	Outstanding Work Center – Category I
Welding Shop	Outstanding Work Center – Category II
General Manager's Office	Good Housekeeping Work Center – Category I
Welding Shop	Good Housekeeping Work Center – Category II

The ceremony also honored employees reaching significant career milestones, recognizing their decades of service and contributions to the Port Authority of Guam.

Years of Service Awards

Employee Award Recipient	**Award Recognition**
George Duenas, Cargo Checker Leader	40 years
Anthony Francisco, Mobile Equipment Dispatcher	35 Years
Robert Meeks, Stevedore Supervisor II	35 Years
Dominic Muna, DGMO	35 Years
Dennis Perez, Systems Manager	35 Years
Junior Topasna, Stevedoring Superintendent	35 Years
Juan Borja, Planner III	30 Years

Higinio Camacho, Jr., Port Police Supervisor	30 Years
Rita Carbullido, Commercial Specialist II	30 Years
Shawn Cepeda, Personnel Services Administrator	30 Years
Joseph Cruz, Clerk III	30 Years
Jennifer Ann Leon Guerrero, Tariff Administrator	30 Years
John Leon Guerrero, Manager, Equipment Support Services	30 Years
Evelyn Pangelinan, Maintenance Planner	30 Years
Frankie Peredo, Stevedore Leader	30 Years
Shannon Quenga, Maintenance Planner	30 Years
Roseanna Stone, Assistant Port Police Chief	30 Years
Paul Tedtaotao, Planner Work Coordinator	30 Years
Victor Camacho, Assistant Port Police Chief	25 Years
Steven Cruz, Security Guard (Armed)	25 Years
Christina Leon Guerrero, Payroll Supervisor	25 Years
Helen Matthews, Planner II	25 Years
Bernadette Meno, Marketing & Communications Manager	25 Years
Steven Muna, Contracts Management Administrator	25 Years
Citadel Sablan, Security Guard (Armed)	25 Years
Sylvestre Torres, Heavy Equipment Mechanic II	25 Years
Jonathan Aguon, Port Police II	20 Years
Mary Jane Camacho, General Accounting Supervisor	20 Years
Jacqueline Cruz, Program Coordinator III	20 Years
Tamara Flores, Administrative Assistant	20 Years
Ronald Laitan, Security Guard (Armed)	20 Years
Chauncy Perez, Stevedore	20 Years
Joy Quichocho-Cruz, Port Police II	20 Years
James Sandlin, Port Police Supervisor	20 Years
Jessica Toft, Port Attorney IV	20 Years

The ceremony also recognized employees who achieved significant accumulated sick leave milestones, acknowledging their responsible leave management and commitment to maintaining dependable service.

Accumulated Sick Leave Award

Employee Award Recipient	**Award Recognition**
Frank Manibusan, Cargo Checker	3,500 hours
Frankie Peredo, Stevedore Leader	3,500 hours
Theresa Reyes-Manibusan, Port Police II	3,000 hours
Higinio Camacho, Port Police Supervisor	2,500 hours
Rita Carbullido, Commercial Specialist II	2,500 hours

Gus Alan Aromin, Crane Mechanic Supervisor	2,000 hours
Shawn Cepeda, Personnel Services Administrator	2,000 hours
Jacqueline Cruz, Program Coordinator III	2,000 hours
Maui Ogo, Equipment Operator II	2,000 hours
Dora Perez, Planner IV	2,000 hours
Jonathan Aguon, Port Police II	1,500 hours
Jesse Quinata, Stevedore Supervisor II	1,500 hours
Kevin Sanchez, Planner Work Coordinator	1,500 hours
Pete Salas, Equipment Operator III	1,500 hours
Annie Sablan, Assistant Procurement & Supply Manager	1,500 hours
Eric Balajadia, Crane Operator	1,000 hours
Johnathon Blas, Transportation Leader	1,000 hours
Antonio Buenviaje, Accountant I	1,000 hours
Angela Cabrera, Port Police II	1,000 hours
Mark Cabrera, Buyer Supervisor	1,000 hours
Leo Espia, Planner IV	1,000 hours
Michael Franquez, Port Police II	1,000 hours
Peter Salas, Maintenance Custodian	1,000 hours

The Grand Finale provided an opportunity to celebrate the employees and work centers whose contributions support the Port's daily operations, from cargo handling and equipment maintenance to public safety, administration, and management. The awards reflected the experience, professionalism, teamwork, and commitment that have sustained the agency throughout its 51-year history. As the Port marked 51 years of service, this year's celebration served as a reminder of the agency's important role in Guam's economic stability, the movement of commerce, and the island's overall readiness and resilience.

The theme "One Port. One Fight. One Future." reflected the Port Authority of Guam's commitment to moving forward together, recognizing that its greatest strength remains the employees whose dedication and teamwork keep the Port operating every day.

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

REVENUES AND CARGO THROUGHPUT:

- The Port's total operating revenue for Fiscal Year 2026 (12 months) is $67.8 million, which is 4% or $2.6M higher than the FY 2026 revenue budget of $65.2 million and also higher by 17.5% or $10.1 million than last year's revenues as of September 2025 at $57.7 million.

- The total number of containers handled as of YTD September (12 months) is 91,537, which is higher by 9.5% or 7,963 containers compared to last year's YTD total of 83,574 containers. The total for non-containerized (breakbulk) cargo as of September is 233,879 revenue tons, which is 22.8% or 43,353 revenue tons higher than last year's September numbers at 190,526.

OPERATING EXPENSES:

- The total operating expenses as of September is $62.9 million, which is less than 1.0%, or $507K lower than the YTD September budget of $63.5 million.

OVERTIME EXPENSE AND DIRECT LABOR REVENUE:

- Overtime for all the divisions as of YTD September is $2.2 million , which is 28%, or $473K higher than YTD September overtime budget of $1.7 million.

- The total Direct Labor revenue as of YTD September is $5.3 M, 6%, or $301K higher than the FY26 budget of $5.0 M, and 24% or $1.0M higher than last year's YTD September total of $4.3M.

YTD OPERATING REVENUES MINUS YTD EXPENSES:

- Operating results (Operating revenues minus operating expenses) as of September ended with an operating income of $4.8M. The Port ended with a net income of $4.8M after deducting the net of Other Income/Expense of -22K.

YTD DEBT SERVICE COVERAGE RATIO (DSCR) STATUS:

- Based on the September numbers, the DSCR calculation is at 2.11, which is above by 0.86 or 68% as compared to the 1.25 ratio requirement on the 2018 bond indenture agreement.

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

- **MARAD BUILD**

  Project: F1 to Golf Pier Connectivity Project

- ***Update***: This project funds the construction of a fuel pipeline system to connect two commercial fuel piers, F1 Pier and Golf Pier. SOW includes the installation of approximately three 10-inch fuel pipelines (mogas, ULSD, and Jet A1), and installation of associated valves and infrastructure. PAG continues to coordinate with MARAD on the remaining requirements, including applicable environmental review and supporting federal documentation, before the grant agreement can be finalized and executed.

- **MARAD PIDP**

  Project: Strengthening Supply Chain with New Port Cranes

  Status Quo: 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

  Status Quo: 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.

- **MARAD Marine Highway Program.**

  Project: Container Yard Various Equipment Acquisition

  Updated: The two utility trucks have been awarded to Monster Auto Corporation dba Guam Autospot with a delivery date of 200 days. The forklifts are currently pending a Purchase Order.

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

  Project: Wharves F2 – F6 Repair

  Update: The Environmental Assessment (EA) has advanced to the final review stage, with MARAD having reviewed the Draft Final EA. Regulatory coordination with 10 of the 11 agencies has been completed. The remaining action is obtaining written concurrence from the Guam State Historic Preservation Office (SHPO) on MARAD's Section 4(f) No Use Evaluation concerning the Commercial Port Historic District. PAG continues coordinating with project consultants and MARAD on the next steps, including public notice requirements and final environmental approval. Following completion of MARAD's NEPA review and issuance of the Finding of No Significant Impact (FONSI), coral translocation is anticipated to proceed around March 2027, subject to required permits and approvals.

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

  Project: Welding Shop Repair (Phase 1 & 2)

  Update: The Certificate of Completion for this project was received on September 9, 2026. The project is now pending final punch list items for the roll-up doors and the closeout documents.

  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

  Status Quo: 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: PAG submitted a no-cost performance extension to DOAG-DAWR. PAG is awaiting approval before advancing project.

Projects:	Demolition and Replacement of Dock A at Hagatna Marina Repair of Merizo Boat Ramp Maintenance & Structural Assessment of Malesso Pier

Status Quo: PAG is awaiting DOAG-DAWR approval of the modified scope and performance-period extension before advancing project.

Project: Agat Marina Southern Walkway Repair

Update: PAG will continue to coordinate with DOAG-DAWR and await approved MOA/NTP before advancing the project.

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

Project: Pumpout Service Assessment for Recreational Boats

Update: PAG submitted a no-cost performance extension to DOAG-DAWR. PAG is awaiting approval before advancing project.

- **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: PAG continues to pursue CATEX for the project. PAG received the Biological Assessment and submitted it to JRM for technical review, with agency consultations underway. The A&E design-build RFP is ready, pending completion of all agency consultations, permitting, and JRM's review of the documentation and supporting memo for technical sufficiency. PAG aims to submit the NEPA package to OLDCC ahead of the Q3 FY2027 timeline.

- **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: An Environmental and Historic Preservation (EHP) review was submitted on August 26, 2026 for the security barrier system and modular floating dock system with FEMA's approval on September 14, 2026. A revised budget was submitted to FEMA to lift the budget hold on October 8, 2026 and pending approval.

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

Project: Crane Rail Support

Update: Planning submitted this project proposal to the US DOT on June 1, 2026. Although the Port's submission was written competitively, along with supporting justification, the project was not funded under this funding cycle.

- **MARAD USMHP 2026.**

Project: Acquisition of Specialized Container Yard Equipment

Update: Planning submitted the grant proposal on September 1, 2026

- **FHWA Protect 2024-2026**

Project: Route 11 Cargo and Fuel Facilities Access

Update: Planning submitted the grant proposal to FHWA on October 10, 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

Status Quo: 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.

Update Item 4: PAG submitted a formal withdrawal for the Seawall Slope Protection Measures on September 28, 2026.

19. **Port Revenue Bonds Project Status.** As of October 13, 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

2018 Port Revenue Bonds Status Report
As of October 13, 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. PAG received FEMA's denial of appeal on October 8, 2026 and will be preparing a second appeal letter.
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. The contract extension has been approved through January 2027. Prep work for connecting to the new waterline is ongoing. **UPDATE:** BME & Sons' last day of work was October 12, 2026. Liberty Insurance is going through the process of hiring a new contractor to complete the remaining work.
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:** BME & Sons' last day of work was October 12, 2026. Liberty Insurance is going through the process of hiring a new contractor to complete the remaining work.
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**		

BOARD OF DIRECTORS
Frank P. Arriola, Chairman
Mark B.C. Mendiola, Vice Chairman
Fe R. Valencia-Ovalles, Board Secretary
Conchita SN Taitano, Board Member

Resolution No. 2026-13

RELATIVE TO REAFFIRMING THE PORT AUTHORITY OF GUAM BOARD OF DIRECTORS' COMMITMENT TO THE CRANE RAIL SUPPORT PROJECT AS A CRITICAL COMPONENT OF THE PORT'S CRANE MODERNIZATION PROGRAM; ACKNOWLEDGING THE PROJECT'S NON-SELECTION FOR FY2026 MARITIME ADMINISTRATION PORT INFRASTRUCTURE DEVELOPMENT PROGRAM FUNDING; DIRECTING MANAGEMENT TO PURSUE ALTERNATIVE FUNDING AND IMPLEMENTATION STRATEGIES; AND AUTHORIZING CONTINUED COORDINATION WITH FEDERAL, MILITARY, AND OTHER PARTNERS.

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 development, operation, maintenance, and modernization of Guam's only commercial seaport and the infrastructure necessary to support the safe, reliable, and efficient movement of cargo through the Jose D. Leon Guerrero Commercial Port; and

WHEREAS, the United States Department of Transportation Maritime Administration (MARAD) previously selected the Port Authority of Guam for approximately $59.6 million in Port Infrastructure Development Program funding under the Strengthening Supply Chain with New Port Cranes project for the acquisition, fabrication, delivery, and installation of three new ship-to-shore gantry cranes; and

WHEREAS, the Port Authority of Guam is providing approximately $14.9 million as its nonfederal contribution toward the crane acquisition, representing a combined federal and Port investment of approximately $74.5 million in the modernization of Guam's primary ship-to-shore container handling capability; and

WHEREAS, the Port advanced the acquisition of three new ship-to-shore gantry cranes and the rehabilitation of the supporting crane rail infrastructure as coordinated components of the Port's broader crane modernization program; and

WHEREAS, although separately funded and implemented, the crane equipment, crane rail system, tie-down infrastructure, and supporting wharf improvements are operationally interdependent and must function together as an integrated cargo handling system; and

WHEREAS, the decision to sequence these projects separately did not lessen the operational necessity of the crane rail improvements because the new ship-to-shore gantry cranes will operate upon and depend upon the Port's fixed crane rail and supporting infrastructure for their safe deployment, movement, operation, and useful service life; and

WHEREAS, the acquisition of the new gantry cranes does not, by itself, complete the modernization of the Port's ship-to-shore cargo handling system because the long-term operational capability of the cranes is directly dependent upon the condition, capacity, alignment, structural integrity, and reliability of the rail system upon which they will operate; and

WHEREAS, the Crane Rail Support Project is therefore imperative to the successful deployment and long-term operation of the three new ship-to-shore gantry cranes and represents the necessary supporting infrastructure phase that follows MARAD's prior investment in the crane equipment itself; and

WHEREAS, the Port Authority of Guam identified the Crane Rail Support Project as a priority capital improvement initiative to rehabilitate, strengthen, replace, or otherwise improve the crane rail and related supporting infrastructure necessary for continued gantry crane operations; and

WHEREAS, the Crane Rail Support Project also includes crane tie-down systems and associated improvements necessary to safely secure and protect the Port's gantry crane system during severe weather and other operational conditions; and

WHEREAS, the Port submitted its Crane Rail Support Project proposal to the United States Department of Transportation Maritime Administration Port Infrastructure Development Program on June 1, 2026, with the continuing support of the Port Authority of Guam Board of Directors, the Governor of Guam, the Lieutenant Governor of Guam, the Chairperson of the Legislative Committee having oversight jurisdiction over the Port Authority of Guam, and key United States Department of Defense partners, including Joint Region Marianas and United States Indo-Pacific Command, reflecting a One Guam approach and broad local and federal support for the modernization and readiness of Guam's commercial port infrastructure, recognizing the Jose D. Leon Guerrero Commercial Port as a strategic port and a critical element of the military mission in the Indo-Pacific amid heightened geopolitical tensions and increasing demands on regional logistics and defense readiness; and

WHEREAS, following review of applications submitted under the Fiscal Year 2026 Port Infrastructure Development Program, MARAD did not select the Crane Rail Support Project for funding; and

WHEREAS, the project's non-selection for Fiscal Year 2026 PIDP funding does not change the underlying operational need for the crane rail improvements or the project's importance to the safe deployment, operation, protection, and long-term reliability of the Port's new ship-to-shore gantry crane system; and

WHEREAS, the Crane Rail Support Project is part of a broader integrated modernization program that includes the acquisition of three new ship-to-shore gantry cranes, rehabilitation and strengthening of the crane rail system, installation and improvement of crane tie-down systems, and the approximately $22.4 million Wharves F2 through F6 Service Life Extension and Hardening Project; and

WHEREAS, the Wharves F2 through F6 Service Life Extension and Hardening Project is supported by approximately $17.94 million in federal funding together with approximately $4.48 million in Port matching funds and is intended to extend the useful life of the waterfront infrastructure upon which cargo and gantry crane operations depend; and

WHEREAS, the new gantry cranes, crane rail system, crane tie-down infrastructure, and Wharves F2 through F6 constitute interdependent components of the same ship-to-shore cargo handling system and must be planned and implemented as an integrated modernization program rather than as isolated capital projects; and

WHEREAS, the United States Department of Defense Office of Local Defense Community Cooperation (OLDCC) has been a longstanding partner in the Port Authority of Guam's modernization efforts and previously supported planning, engineering, technical assistance, and project development activities related to the Port's waterfront infrastructure and ship-to-shore crane modernization efforts; and

WHEREAS, OLDCC previously supported evaluation of the service life and condition of F1 Pier and Wharves F2 through F6 and technical development associated with the Port's ship-to-shore gantry crane procurement program; and

WHEREAS, the Port has recently received approximately $1.4 million in additional OLDCC modernization support funding to continue specialized Owner's Agent Engineer and related professional and technical services supporting delivery of the Port's priority modernization initiatives; and

WHEREAS, these OLDCC-supported services are intended to assist the Port in advancing procurement, engineering, technical review, project management, deployment, and related activities associated with the three new ship-to-shore gantry cranes, crane rail procurement and deployment, crane tie-down systems, and the Wharves F2 through F6 Service Life Extension Project; and

WHEREAS, the $1.4 million OLDCC investment supplements, but does not replace, the capital funding required to construct and deploy the Port's modernization projects, and instead provides specialized technical and project delivery support necessary to move them from planning through procurement, construction, deployment, commissioning, and completion; and

WHEREAS, the Board recognizes that the Port's modernization strategy reflects a coordinated federal and local partnership involving MARAD, OLDCC, the Port Authority of Guam, the Government of Guam, Joint Region Marianas, United States Indo-Pacific Command, and other federal and local stakeholders working toward the common objective of strengthening Guam's commercial and defense-related port readiness through a One Guam approach; and

WHEREAS, reliable crane, rail, tie-down, and wharf infrastructure is essential to commercial cargo operations, supply chain continuity, disaster response, economic security, regional logistics, military buildup support, and national defense; and

WHEREAS, Guam's geographic location in the Western Pacific makes the readiness of the Jose D. Leon Guerrero Commercial Port critical not only to the economic lifeline of the civilian community but also to the logistics requirements, force posture, sustainment, and readiness of the United States military mission in the Indo-Pacific; and

WHEREAS, amid heightened geopolitical tensions in the Indo-Pacific and increasing demands upon Guam's strategic infrastructure, the modernization and resilience of the Jose D. Leon Guerrero Commercial Port are essential to ensuring that Guam can continue supporting both civilian supply chain requirements and the national defense mission; and

WHEREAS, completion of the Crane Rail Support Project remains necessary to protect and maximize the substantial federal and Port investment already committed to the three new ship-to-shore gantry cranes by ensuring that the fixed infrastructure necessary to deploy, operate, secure, and maintain those cranes is modernized in coordination with the equipment itself; and

WHEREAS, the Board recognizes that federal grant funding provides an important opportunity to accelerate these necessary infrastructure improvements while leveraging Port resources and reducing the financial burden that would otherwise be borne entirely by Port revenues and users; and

WHEREAS, the General Manager remains committed to advancing the Crane Rail Support Project as a critical infrastructure investment necessary to support the Port's crane modernization program, operational resilience, supply chain continuity, and national defense readiness, and will continue to pursue alternative federal, defense-related, and other funding opportunities to facilitate project implementation; and

WHEREAS, the Board desires to reaffirm its continuing support for the Crane Rail Support Project, recognize the significance of the project to the Port's modernization strategy, and support management's efforts to identify and pursue alternative federal, military, local, and other funding opportunities necessary to advance project implementation; now therefore, be it

RESOLVED, that the Board of Directors hereby reaffirms its continuing commitment to the Crane Rail Support Project as a priority capital improvement initiative essential to the successful deployment, operation, and protection of the Port's ship-to-shore cargo handling system, notwithstanding the project's non-selection for funding under the Fiscal Year 2026 Port Infrastructure Development Program; and be it further

RESOLVED, that the Board supports management's continued pursuit of federal, defense-related, territorial, revenue bond, congressional, grant, and other lawful funding opportunities for the Crane Rail Support Project, including future MARAD Port Infrastructure Development Program funding opportunities, Office of Local Defense Community Cooperation programs, Department of Defense infrastructure initiatives, federal resilience programs, and other funding sources that may become available; and be it further

RESOLVED, that the Board recognizes the Crane Rail Support Project as an imperative and complementary investment to MARAD's prior award for three new ship-to-shore gantry cranes and finds that completion of the supporting rail and crane securement infrastructure is necessary to successfully deploy, operate, protect, and realize the long-term operational value of that federal and Port investment; and be it further

RESOLVED, that management is further authorized to evaluate phased implementation of the Crane Rail Support Project based upon engineering priority, operational risk, crane deployment requirements, available funding, and the sequencing of related wharf and tie-down improvements; and be it further

RESOLVED, that the Board recognizes the three new ship-to-shore gantry cranes, the Crane Rail Support Project, crane tie-down systems, and the Wharves F2 through F6 Service Life Extension Project as interconnected components of an integrated modernization program necessary to strengthen the Port's ship-to-shore cargo handling capability; and be it further

RESOLVED, that the Board acknowledges and expresses its appreciation for the approximately $1.4 million in modernization support provided by the Office of Local Defense Community Cooperation and recognizes that funding as an important complement to MARAD's capital investment by supporting the specialized engineering, technical, procurement, Owner's Agent, project management, deployment, and commissioning activities necessary to successfully deliver the Port's modernization program; and be it further

RESOLVED, that the Board recognizes the modernization of the Port's crane, rail, tie-down, and wharf infrastructure as a One Guam priority supporting the interconnected requirements of civilian commerce, disaster response, economic resilience, military logistics, and national defense; and be it further

RESOLVED, that the Board acknowledges the General Manager's commitment to advance the Crane Rail Support Project and authorizes management to identify appropriate Port funding participation where necessary to leverage external funding, subject to Board approval, applicable law, and the availability of funds; and be it further

RESOLVED, that the Board recognizes the Crane Rail Support Project as an essential infrastructure investment necessary to fully realize the benefits of MARAD's prior investment in the three new ship to shore gantry cranes, complement OLDCC's continuing modernization support, and advance another essential component of the Port's integrated modernization program; and be it further

RESOLVED, that the General Manager is authorized to continue coordinating and advocating with the United States Department of Transportation Maritime Administration, the Office of Local Defense Community Cooperation, Joint Region Marianas, United States Indo-Pacific Command, the Government of Guam, and other appropriate federal and local agencies to advance the Crane Rail Support Project as a critical component of the Port's broader modernization program, including pursuing future federal and defense-related funding opportunities, maintaining project readiness, providing technical and engineering documentation, and supporting efforts that enhance operational resilience, supply chain continuity, and national defense readiness; and be it further

RESOLVED, that upon adoption, the General Manager is hereby authorized and directed to transmit a certified copy of this Resolution to Stephen M. Carmel, Administrator, United States Maritime Administration; Mark D. Johnson, Deputy Administrator, United States Maritime Administration; William "Bill" Paape, Associate Administrator for Ports and Waterways, United States Maritime Administration; Gus Hein, Director, Mid-Pacific Gateway Office, United States Maritime Administration; Patrick O'Brien, Director, Office of Local Defense Community Cooperation; Steven Chung, Pacific Readiness Senior Project Manager, Office of Local Defense Community Cooperation; Lourdes Leon Guerrero, Governor of Guam; Joshua Tenorio, Lieutenant Governor of Guam; Jesse Lujan, Chairperson of the Legislative Committee having oversight jurisdiction over the Port Authority of Guam; Rear Admiral Joshua Lasky, Commander, Joint Task Force – Micronesia; Rear Admiral Brett Mietus, Commander, Joint Region Marianas; and Admiral Samuel Paparo, Commander, United States Indo-Pacific Command; and be it further

RESOLVED, that such transmittal is intended to memorialize the unified commitment of the Port Authority of Guam Board of Directors and management to advance the Crane Rail Support Project and to demonstrate that the Port will continue pursuing reasonable funding and implementation opportunities necessary to complete this critical infrastructure investment as part of the modernization of Guam's ship-to-shore cargo handling system; and be it further

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

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 6th DAY OF NOVEMBER, 2026.

FRANK P. ARRIOLA
Chairman, Board of Directors
Port Authority of Guam

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

PORT AUTHORITY OF GUAM ★ GOVERNMENT OF GUAM ★

BOARD OF DIRECTORS
Frank P. Arriola, Chairman
Mark B.C. Mendiola, Vice Chairman
Fe R. Valencia-Ovalles, Board Secretary
Conchita SN Taitano, Board Member

Resolution No. 2026-14

RELATIVE TO MEMORIALIZING AND REAFFIRMING THE PORT AUTHORITY OF GUAM BOARD OF DIRECTORS' CONTINUING SUPPORT FOR THE PORT AUTHORITY OF GUAM'S APPLICATION TO THE UNITED STATES DEPARTMENT OF TRANSPORTATION MARITIME ADMINISTRATION MARINE HIGHWAY PROGRAM FOR THE ACQUISITION OF TWO TOP LOADERS, RECOGNIZING THE PROJECT AS A CRITICAL CONTINUATION OF THE PORT'S CARGO HANDLING EQUIPMENT MODERNIZATION AND REGIONAL MARINE HIGHWAY STRATEGY, AFFIRMING THE GENERAL MANAGER'S COMMITMENT THAT THE PORT PROVIDE ANY REQUIRED MATCHING FUNDS, AND DIRECTING TRANSMITTAL OF THIS RESOLUTION TO MARAD, JRM, INDOPACOM, OLDCC, AND OTHER KEY FEDERAL STAKEHOLDERS.

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 development, operation, maintenance, and modernization of Guam's only commercial seaport and for maintaining the cargo handling capability necessary to support the reliable movement of goods through the Jose D. Leon Guerrero Commercial Port; and

WHEREAS, because Guam is geographically isolated and depends overwhelmingly upon maritime transportation for the movement of food, fuel, construction materials, consumer goods, equipment, and other essential commodities, the reliability and resilience of the Port's cargo handling equipment directly affect the economic security and daily life of the people of Guam; and

WHEREAS, in 2022, the Port Authority of Guam successfully partnered with the United States Department of Transportation Maritime Administration through the America's Marine Highway Program and received approximately $5.7 million for the Guam Marine Transportation Enhancement Initiative to expand the Port's fleet of specialized cargo handling equipment and strengthen the movement of cargo through Guam's only commercial seaport; and

WHEREAS, the 2022 Marine Highway investment enabled the Port to substantially expand and modernize its cargo handling equipment fleet, including the acquisition of nine container yard tractors, two loaded container handlers, three empty container handlers, a 180-foot boom lift, and other specialized equipment necessary to support efficient cargo movement; and

WHEREAS, the Board recognizes that the prior Marine Highway investment produced direct operational benefits by increasing the Port's cargo handling capacity, replacing aging equipment, improving the movement of containers through the terminal, and strengthening the Port's ability to serve Guam and the regional maritime transportation system; and

WHEREAS, despite these improvements, the Port continues to operate aging cargo handling equipment and must continue replacing critical units in a deliberate and financially responsible manner in order to maintain operational continuity and sufficient equipment redundancy; and

WHEREAS, top loaders are essential to the movement of loaded containers throughout the terminal, including the lifting, staging, repositioning, retrieval, and delivery of containers necessary to support vessel operations and cargo availability; and

WHEREAS, during August 2026, the Port experienced a significant reduction in top loader availability, with the number of available units at one point declining from four operational top loaders to zero, substantially constraining the Port's ability to move containers and requiring immediate repair, emergency procurement, outside technical assistance, additional staffing support, and other operational measures to restore equipment availability; and

WHEREAS, following the August 2026 top loader shortage, Port management directed a review of the circumstances affecting top loader readiness, including equipment condition, parts identification, procurement, inventory practices, maintenance requirements, escalation procedures, and long term equipment replacement needs; and

WHEREAS, that management review reinforced that the Port's long term response cannot rely solely upon emergency repair of aging equipment, but must include improved preventive maintenance, critical spare parts, stronger inventory and equipment tracking, timely procurement, lifecycle replacement planning, and sufficient equipment redundancy to sustain reliable cargo operations; and

WHEREAS, the Board recognizes that maintaining adequate top loader capacity is therefore not merely an equipment procurement objective, but an operational necessity directly connected to vessel service, yard productivity, cargo availability, customer service, emergency response, and continuity of Guam's maritime supply chain; and

WHEREAS, the Port has submitted an application to the United States Department of Transportation Maritime Administration Marine Highway Program for federal assistance to acquire three additional top loaders as part of its continuing effort to strengthen cargo handling capacity, replace aging equipment, reduce operational vulnerability, and provide sufficient equipment redundancy to support reliable terminal operations; and

WHEREAS, the acquisition of three additional top loaders would build directly upon MARAD's prior $5.7 million Marine Highway investment and represents the next phase of the Port's cargo handling equipment modernization strategy rather than an isolated equipment purchase; and

WHEREAS, the proposed top loaders would complement the container yard tractors, loaded and empty container handlers, and other specialized equipment previously acquired through the Guam Marine Transportation Enhancement Initiative and further strengthen the Port's ability to efficiently receive, stage, move, retrieve, and deliver containerized cargo; and

WHEREAS, the Board recognizes that cargo handling equipment functions as an integrated operating system in which ship to shore cranes transfer cargo between vessels and the dock, top loaders and container handlers move and stage cargo within the terminal, yard tractors reposition containers, and other specialized equipment supports the continuous flow of cargo through the Port; and

WHEREAS, strengthening the Port's top loader fleet is therefore directly related to maximizing the operational benefit of the Port's broader equipment and infrastructure modernization program, including the acquisition of three new ship to shore gantry cranes, modernization of the crane rail system, improvements to crane tie down infrastructure, and rehabilitation of the Port's wharf facilities; and

WHEREAS, the Marine Highway Program provides an important federal mechanism for strengthening marine transportation, freight mobility, port efficiency, supply chain resilience, and the movement of cargo through maritime transportation corridors; and

WHEREAS, Guam's marine highway system also serves an important regional function by supporting the movement and transshipment of cargo between Guam and neighboring island communities, including the Commonwealth of the Northern Mariana Islands, and strengthening the reliability of maritime transportation throughout Micronesia; and

WHEREAS, the Jose D. Leon Guerrero Commercial Port is also a strategic port whose cargo handling capability supports disaster response, regional logistics, military sustainment, and national defense requirements in the Western Pacific; and

WHEREAS, the modernization and redundancy of the Port's cargo handling equipment support a One Guam approach by strengthening infrastructure that simultaneously serves the civilian community, regional commerce, emergency response, military logistics, and the broader United States mission in the Indo-Pacific; and

WHEREAS, amid heightened geopolitical tensions and increasing demands upon Guam's strategic infrastructure, maintaining reliable cargo handling capacity at the Jose D. Leon Guerrero Commercial Port is important to economic continuity, regional resilience, and defense readiness; and

WHEREAS, the Port's pursuit of additional Marine Highway funding demonstrates a continuing strategy of using federal investment to replace aging equipment, strengthen operational readiness, and reduce the financial burden that major equipment replacement would otherwise place entirely upon Port revenues and users; and

WHEREAS, the General Manager has committed that the Port will provide any required matching contribution associated with the Marine Highway Program application, subject to applicable law, availability of funds, and the final terms and conditions of any federal award; and

WHEREAS, the Board has supported the Port's continuing pursuit of federal assistance for cargo handling equipment modernization and desires to formally memorialize and reaffirm its support for the submitted Marine Highway Program application for three additional top loaders; now therefore, be it

RESOLVED, that the Board of Directors hereby memorializes and reaffirms its continuing support for the Port Authority of Guam's application to the United States Department of Transportation Maritime Administration Marine Highway Program for federal assistance to acquire three additional top loaders; and be it further

RESOLVED, that the Board recognizes the proposed acquisition as a critical continuation of the Port's cargo handling equipment modernization strategy and as a necessary investment in equipment reliability, redundancy, yard productivity, vessel support, and continuity of cargo movement through Guam's only commercial seaport; and be it further

RESOLVED, that the Board recognizes that the proposed three top loaders build upon MARAD's prior approximately $5.7 million investment in the 2022 Guam Marine Transportation Enhancement Initiative and would further maximize the operational value of the equipment already acquired through that program; and be it further

RESOLVED, that the Board further recognizes that the August 2026 top loader shortage and the management review that followed demonstrated the need to strengthen the Port's long term equipment readiness strategy through improved maintenance, parts availability, inventory management, lifecycle replacement, and sufficient operational redundancy; and be it further

RESOLVED, that the Board finds that sufficient top loader capacity and redundancy are essential to maintaining reliable Port operations and reducing the risk that failure of individual aging units could materially affect vessel service, cargo availability, terminal productivity, or Guam's maritime supply chain; and be it further

RESOLVED, that the Board recognizes the Marine Highway Program investment as part of the Port's broader integrated modernization program involving ship to shore cranes, crane rail infrastructure, crane tie down systems, wharf rehabilitation, yard equipment, maintenance capability, technology, workforce development, and other improvements necessary to sustain efficient cargo operations; and be it further

RESOLVED, that the Board further recognizes the acquisition of reliable cargo handling equipment as supporting a One Guam approach to economic resilience, regional maritime connectivity, disaster response, military logistics, and national defense readiness in the Indo-Pacific; and be it further

RESOLVED, that the Board acknowledges and affirms the General Manager's commitment that the Port provide any required matching funds associated with the Marine Highway Program award, consistent with applicable law, available funding, and the final terms and conditions of the federal award; and be it further

RESOLVED, that the General Manager is authorized to continue coordinating with the United States Department of Transportation Maritime Administration, Joint Region Marianas, United States Indo-Pacific Command, the Office of Local Defense Community Cooperation, the Government of Guam, and other appropriate federal and local agencies in connection with the submitted Marine Highway Program application, including responding to requests for information, providing certifications and assurances, refining equipment specifications and procurement planning, and completing other actions necessary to demonstrate project readiness and advance federal review; and be it further

RESOLVED, that should the Port receive an award, management shall present the final federal award amount, total project cost, required Port contribution, proposed funding source, material grant conditions, and any resulting financial exposure to the Board in accordance with applicable law and existing Board policies, and any material change in project scope, federal participation, required Port contribution, or other material condition affecting the Authority's financial exposure shall be brought to the Board for further consideration as required; and be it further

RESOLVED, that upon adoption, the General Manager is hereby authorized and directed to transmit a certified copy of this Resolution to Stephen M. Carmel, Administrator, United States Maritime Administration; Mark D. Johnson, Deputy Administrator, United States Maritime Administration; William "Bill" Paape, Associate Administrator for Ports and Waterways, United States Maritime Administration; Gus Hein, Director, Mid-Pacific Gateway Office, United States Maritime Administration; Patrick O'Brien, Director, Office of Local Defense Community Cooperation; Steven Chung, Pacific Readiness Senior Project Manager, Office of Local Defense Community Cooperation; Lourdes Leon Guerrero, Governor of Guam; Joshua Tenorio, Lieutenant Governor of Guam; Jesse Lujan, Chairperson of the Legislative Committee having oversight jurisdiction over the Port Authority of Guam; Rear Admiral Brett Mietus, Commander, Joint Region Marianas; and Admiral Samuel Paparo, Commander, United States Indo-Pacific Command; and be it further

RESOLVED, that such transmittal is intended to memorialize the unified commitment of the Port Authority of Guam Board of Directors and management to the Marine Highway Program application, including the Port's commitment to any required nonfederal match, and to demonstrate that the proposed acquisition of three additional top loaders represents a necessary continuation of the federal and Port partnership established through the 2022 Guam Marine Transportation Enhancement Initiative and supports the modernization, resilience, and readiness of Guam's commercial port operations; and be it further

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

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 6TH DAY OF NOVEMBER, 2026.

FRANK P. ARRIOLA
Chairman, Board of Directors
Port Authority of Guam

PORT AUTHORITY OF GUAM * GOVERNMENT OF GUAM *

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

BOARD OF DIRECTORS
Frank P. Arriola, Chairman
Mark B.C. Mendiola, Vice Chairman
Fe R. Valencia-Ovalles, Board Secretary
Conchita SN Taitano, Board Member

Resolution No. 2026-15

RELATIVE TO MEMORIALIZING AND REAFFIRMING THE PORT AUTHORITY OF GUAM BOARD OF DIRECTORS' CONTINUING SUPPORT FOR THE PORT AUTHORITY OF GUAM'S APPLICATION TO THE UNITED STATES DEPARTMENT OF TRANSPORTATION FEDERAL HIGHWAY ADMINISTRATION PROMOTING RESILIENT OPERATIONS FOR TRANSFORMATIVE, EFFICIENT, AND COST-SAVING TRANSPORTATION PROGRAM FOR THE $24.96 MILLION ROUTE 11 CARGO AND FUEL FACILITIES ACCESS RESILIENCE PROJECT, RECOGNIZING ROUTE 11 AS THE SOLE LANDSIDE ACCESS CORRIDOR TO GUAM'S ONLY COMMERCIAL SEAPORT, CRITICAL FUEL, POWER, MARITIME, AND STRATEGIC LOGISTICS INFRASTRUCTURE, REAFFIRMING THE PROJECT AS A ONE GUAM TRANSPORTATION, SUPPLY CHAIN, ENERGY SECURITY, DISASTER RESILIENCE, ENVIRONMENTAL SUSTAINABILITY, AND NATIONAL READINESS PRIORITY, AND DIRECTING TRANSMITTAL OF THIS RESOLUTION TO FHWA, JRM, INDOPACOM, OLDCC, EPA, AND OTHER KEY FEDERAL AND GOVERNMENT STAKEHOLDERS.

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 development, operation, maintenance, and modernization of Guam's only commercial seaport and the infrastructure necessary to support the safe, reliable, and efficient movement of cargo through the Jose D. Leon Guerrero Commercial Port; and

WHEREAS, Route 11, also known as Cabras Highway, provides the primary and, for the critical facilities located on Cabras Island, sole roadway connection between Route 1 and the Jose D. Leon Guerrero Commercial Port, fuel storage and distribution facilities, the Guam Power Authority Cabras Power Complex, maritime industrial facilities, and other strategic logistics infrastructure; and

WHEREAS, Route 11 supports the daily movement of commercial cargo, fuel, construction materials, emergency supplies, utility restoration equipment, disaster recovery resources, Port employees, Port users, fuel transport vehicles, emergency responders, contractors, and government agencies responsible for maintaining essential infrastructure; and

WHEREAS, unlike transportation systems with multiple alternative access routes, there is no comparable roadway capable of providing the same direct access to the Port and associated Cabras Island facilities if Route 11 becomes impassable or significantly restricted, creating a high consequence single point of failure for Guam's freight, fuel, energy, maritime, emergency response, and logistics systems; and

WHEREAS, disruption of Route 11 could simultaneously impede cargo distribution, constrain fuel deliveries, delay utility restoration, restrict access to power generation and maritime facilities, interfere with emergency response and disaster recovery, and affect civilian and defense related logistics operations; and

WHEREAS, the Federal Highway Administration PROTECT Competitive Grant Program is intended to improve the resilience of the nation's surface transportation system, including highways, ports, and intermodal transportation infrastructure, and its At-Risk Coastal Infrastructure Grant component supports investments designed to protect transportation assets exposed to flooding, erosion, wave action, storm surge, severe weather, and other coastal hazards; and

WHEREAS, the Port Authority of Guam, in partnership with the Guam Department of Public Works, developed and submitted the Route 11 Cargo and Fuel Facilities Access Resilience Project to the United States Department of Transportation Federal Highway Administration under the Fiscal Year 2024 through 2026 Promoting Resilient Operations for Transformative, Efficient, and Cost-saving Transportation Program, commonly known as the PROTECT Program; and

WHEREAS, the Port seeks $24,960,000 in federal funding through the PROTECT At-Risk Coastal Infrastructure Grant program and has requested a 100 percent federal share for the project; and

WHEREAS, the proposed project directly advances PROTECT Program objectives because Route 11 is the sole landside transportation corridor connecting Guam's highway network to its principal commercial seaport, fuel storage and distribution facilities, power generation infrastructure, maritime industrial facilities, and strategic logistics assets located on Cabras Island; and

WHEREAS, the proposed project is designed to protect and strengthen Route 11 through roadway rehabilitation and pavement improvements, drainage and hydraulic improvements, erosion protection and roadway edge stabilization, resilient solar powered lighting systems, traffic control and construction phasing, engineering and design, environmental compliance, construction management, and related resilience measures; and

WHEREAS, the project budget provides approximately $7.8 million for roadway rehabilitation and pavement improvements, $4.5 million for drainage and hydraulic improvements, $3.2 million for erosion protection and roadway edge stabilization, and $2 million for resilient solar powered lighting systems, together with engineering, environmental, construction management, traffic control, administrative, and contingency funding necessary to deliver the project; and

WHEREAS, Route 11 is already experiencing deterioration and operational vulnerability resulting from continuous heavy truck traffic, recurring typhoon impacts, extreme rainfall, flooding, drainage limitations, coastal erosion, roadway edge degradation, and storm generated debris, with the Port's application identifying the need for full depth pavement repairs, base reconstruction, resurfacing, shoulder rehabilitation, drainage improvements, erosion protection, roadway edge stabilization, and resilient lighting; and

WHEREAS, Route 11's exposure is not limited to rainfall and wind, but includes direct coastal hazards such as storm surge, coastal flooding, wave action, shoreline erosion, saltwater exposure, and sea level rise, all of which threaten the integrity, reliability, and continued availability of the corridor; and

WHEREAS, Super Typhoon Mawar in 2023 demonstrated the importance of maintaining reliable access to the Port, fuel facilities, power generation assets, and industrial infrastructure during island wide disaster response and recovery operations and produced coastal flooding, extreme rainfall, widespread power outages, and extensive infrastructure damage throughout Guam; and

WHEREAS, Typhoon Sinlaku in 2026 further demonstrated Route 11's exposure to coastal hazards when severe wave action and strong winds drove rocks and boulders onto the roadway, creating roadway obstructions and affecting infrastructure along the corridor; and

WHEREAS, Super Typhoon Bavi in 2026 provided direct operational evidence of the vulnerability and strategic importance of Route 11 when heavy wave action and strong winds carried boulders, rocks, and other storm generated debris onto portions of the roadway, rendering the corridor impassable and making reopening Route 11 a priority because it provides the only roadway connection to the Port, fuel facilities, and critical infrastructure on Cabras Island; and

WHEREAS, these events demonstrate that resilience of Route 11 is not theoretical, but is a documented operational requirement directly affecting Guam's ability to maintain cargo movement, fuel deliveries, emergency response, utility restoration, and disaster recovery during and following major storms; and

WHEREAS, the Port's application therefore proposes proactive resilience investment rather than continued reliance upon emergency response and repeated post disaster repairs, with the objective of reducing roadway closures, strengthening drainage and coastal protection, improving post storm access, extending infrastructure service life, and reducing future maintenance and reconstruction costs; and

WHEREAS, independent solar powered roadway lighting with battery storage is proposed to maintain critical roadway illumination during utility outages, when conventional electrical infrastructure may be unavailable and when movement of cargo, fuel, emergency personnel, and recovery resources is especially important; and

WHEREAS, the project is designed to preserve and strengthen existing transportation infrastructure rather than create new roadway capacity and is intended to improve the ability of Route 11 to withstand severe weather, maintain functionality during emergencies, and recover more rapidly following disruptions; and

WHEREAS, the Port Authority of Guam and the Guam Department of Public Works have an established partnership for Route 11, with DPW serving as the roadway jurisdiction and the Port providing operational coordination associated with cargo movement, Port access, fuel operations, emergency response, continuity planning, and stakeholder requirements; and

WHEREAS, this established partnership provides the institutional framework necessary to coordinate planning, engineering, environmental compliance, construction, operations, maintenance, and long term stewardship of the improvements proposed under the project; and

WHEREAS, separately from but complementary to the submitted PROTECT application, the Port Authority of Guam has established a strong portfolio of federally supported sustainability, emissions reduction, environmental stewardship, and climate resilience initiatives, including its approximately $2.4 million award under the United States Environmental Protection Agency Clean Ports Climate and Air Quality Planning Competition; and

WHEREAS, the Port's Clean Ports initiative was advanced through collaboration among the Port Authority of Guam, Board Director Conchita S.N. Taitano, WSP, serving as the Port's Owner Agent Engineer, and Jacobs, serving as subgrantee and technical consultant supporting the Port's Clean Ports planning and implementation activities; and

WHEREAS, under the leadership and advocacy of Board Director Conchita S.N. Taitano, the Port has continued advancing its sustainability and climate change resilience portfolio, including federal environmental partnerships, vulnerability assessment, resilience planning, and efforts to move from assessment into specific project development, design, and implementation; and

WHEREAS, through the Clean Ports initiative, the Port has advanced emissions inventory development, updates to its Net Zero Emissions Strategy, workforce development, climate resilience planning, decarbonization and electrification strategies, alternative fuel feasibility, and other initiatives intended to strengthen the long term sustainability and operational resilience of Guam's principal commercial seaport; and

WHEREAS, Jacobs, as Clean Ports subgrantee and technical consultant, has supported the Port's work involving emissions and climate air pollutant inventories, climate and resilience planning, zero emission technology assessments, alternative fuel feasibility, and sustainable Port operations, establishing a technical foundation that complements the Port's broader infrastructure resilience strategy; and

WHEREAS, WSP, in its role as the Port's Owner Agent Engineer, has supported the Port's broader modernization, engineering, federal grant development, and infrastructure planning efforts, helping provide continuity between long range planning, vulnerability assessment, federal funding strategy, and development of resilient capital projects; and

WHEREAS, Director Taitano has also led Port engagement with United States Environmental Protection Agency Region 9 regarding the next phase of Port resilience work, including assessment and design needs associated with the seawall, erosion near the terminal entrance, and other coastal vulnerabilities affecting continued Port operations; and

WHEREAS, the Route 11 Cargo and Fuel Facilities Access Resilience Project directly complements this existing Clean Ports and engineering portfolio by converting the Port's broader climate resilience and vulnerability planning into a specific transportation infrastructure investment addressing coastal flooding, storm surge, wave action, erosion, roadway deterioration, drainage vulnerability, utility disruption, and post storm operational continuity along Guam's only landside access corridor to its principal commercial seaport and critical fuel and power infrastructure; and

WHEREAS, the Board recognizes that the EPA Clean Ports initiative and the FHWA PROTECT application are complementary elements of the Port's larger resilience strategy, with Clean Ports strengthening the analytical, environmental, emissions, sustainability, and climate planning foundation and the Route 11 project advancing a specific capital solution to documented transportation and coastal vulnerabilities; and

WHEREAS, this existing Clean Ports, engineering, and federal grant portfolio further demonstrates that the Route 11 project is not an isolated proposal, but part of a continuing institutional strategy to identify vulnerabilities, develop technically supported solutions, leverage federal partnerships, and transition from planning and assessment into implementation of resilient infrastructure improvements; and

WHEREAS, the Route 11 corridor is critical to American families and communities on Guam because virtually all goods entering the island through its principal commercial maritime gateway depend upon the corridor for distribution to homes, businesses, hospitals, schools, government facilities, construction projects, and other destinations throughout Guam; and

WHEREAS, reliable access to the fuel storage and distribution facilities served by Route 11 is similarly essential to transportation, power generation, emergency vehicles, backup generators, commercial operations, utility restoration, healthcare continuity, and disaster response; and

WHEREAS, Route 11 is therefore not simply a Port access road, but a transportation lifeline connecting Guam's maritime supply chain, fuel system, power infrastructure, emergency response network, and broader highway system; and

WHEREAS, the United States Maritime Administration has recognized the Port of Guam as a strategic seaport, and Route 11 provides the sole landside transportation connection between this strategic maritime facility and Guam's highway network; and

WHEREAS, Guam occupies a strategically significant location in the Western Pacific where civilian commerce, transportation resilience, energy security, military logistics, disaster preparedness, environmental resilience, and national defense requirements increasingly intersect; and

WHEREAS, amid heightened geopolitical tensions and increasing demands upon Guam's infrastructure associated with the United States mission in the Indo-Pacific, resilient access to the Jose D. Leon Guerrero Commercial Port and the fuel, power, and logistics infrastructure on Cabras Island is a critical element of both civilian continuity and strategic readiness; and

WHEREAS, the project reflects a One Guam approach because the same transportation corridor that serves Guam's civilian population, businesses, Port users, fuel operators, utilities, and emergency responders also supports infrastructure and logistics functions relevant to Joint Region Marianas, United States Indo-Pacific Command, and the broader national defense mission; and

WHEREAS, the Port's application does not rely solely upon military justification, but instead recognizes that strengthening Route 11 simultaneously advances civilian commerce, public safety, disaster recovery, freight mobility, energy security, environmental resilience, regional logistics, and national preparedness; and

WHEREAS, the Board recognizes that the Port Authority of Guam has undertaken the planning, vulnerability assessment, project development, interagency coordination, scope development, budgeting, and federal grant preparation necessary to place the Route 11 Cargo and Fuel Facilities Access Resilience Project before the Federal Highway Administration as a well developed transportation resilience investment; and

WHEREAS, the Board further recognizes that the Port possesses substantial experience administering federally funded transportation, environmental, resilience, and infrastructure projects and has established grant management, procurement, financial control, consultant oversight, environmental compliance, performance reporting, and project delivery systems that can support implementation of the Route 11 project from award through construction and closeout; and

WHEREAS, the project is structured around an existing transportation facility, utilizes established engineering and resilience practices, does not require acquisition of new roadway capacity, and can proceed through coordinated engineering, environmental review, procurement, construction, inspection, and closeout following federal award; and

WHEREAS, the Port's submission of this application represents the culmination of significant institutional work to identify a documented vulnerability, develop a responsive and technically supportable project, establish a partnership with the roadway jurisdiction, define a project delivery strategy, and seek federal assistance commensurate with the strategic importance of the corridor; and

WHEREAS, the Board desires to create a clear institutional record that the Port Authority of Guam has done the necessary work to identify and document the vulnerability of Route 11, has advanced a specific and implementable solution, and remains committed to the underlying transportation resilience need addressed by the project throughout the federal review and funding process; and

WHEREAS, the Board further desires that this Resolution serve not only as a memorialization of Board support, but also as an advocacy document communicating to federal decision makers that protecting Route 11 is essential to maintaining access to Guam's only commercial seaport, critical fuel and power infrastructure, emergency response capabilities, economic lifeline, environmental resilience, and strategic logistics assets; and

WHEREAS, federal investment in Route 11 would protect a transportation corridor whose significance extends far beyond the physical limits of the roadway and would strengthen infrastructure necessary to the economic stability, public safety, disaster resilience, energy security, environmental sustainability, and national transportation interests of the United States in the Western Pacific; and

WHEREAS, the Board therefore desires to memorialize and reaffirm its continuing support for the Port Authority of Guam's $24.96 million Route 11 Cargo and Fuel Facilities Access Resilience Project and communicate the unified commitment of the Port, the Government of Guam, and federal and military partners to strengthening this critical corridor; now therefore, be it

RESOLVED, that the Board of Directors hereby memorializes and reaffirms its continuing support for the Port Authority of Guam's application to the United States Department of Transportation Federal Highway Administration PROTECT Program for $24,960,000 in federal funding for the Route 11 Cargo and Fuel Facilities Access Resilience Project; and be it further

RESOLVED, that the Board recognizes Route 11 as the sole landside transportation connection between Guam's highway system and the Jose D. Leon Guerrero Commercial Port, fuel storage and distribution facilities, the Guam Power Authority Cabras Power Complex, maritime industrial facilities, and other strategic logistics infrastructure on Cabras Island; and be it further

RESOLVED, that the Board finds that the lack of a comparable alternate roadway creates a single point of failure whose disruption could have cascading consequences for freight movement, fuel distribution, power generation, emergency response, utility restoration, disaster recovery, economic activity, and defense related logistics; and be it further

RESOLVED, that the Board recognizes the Route 11 Cargo and Fuel Facilities Access Resilience Project as an imperative transportation resilience investment designed to address documented vulnerabilities through roadway rehabilitation, drainage and hydraulic improvements, erosion protection and roadway edge stabilization, resilient solar powered lighting, and related improvements necessary to protect the corridor and maintain reliable access during and following severe weather events; and be it further

RESOLVED, that the Board further finds that the project directly advances the purposes of the Federal Highway Administration PROTECT Program by strengthening At-Risk Coastal Infrastructure serving a strategic seaport, critical fuel and energy infrastructure, emergency response operations, freight mobility, and other transportation assets of territorial and national significance; and be it further

RESOLVED, that the Board specifically recognizes the operational lessons of Super Typhoon Mawar in 2023 and Typhoons Sinlaku and Bavi in 2026 as demonstrating the vulnerability of Route 11 to coastal flooding, storm surge, wave action, storm generated debris, erosion, and other severe weather impacts and the consequences that transportation disruption can impose upon Port access, fuel movement, emergency response, utility restoration, and disaster recovery; and be it further

RESOLVED, that the Board recognizes the Route 11 Cargo and Fuel Facilities Access Resilience Project as complementary to the Port's existing EPA Clean Ports and broader resilience portfolio and as a natural progression from vulnerability assessment, sustainability planning, and climate resilience analysis into implementation of specific infrastructure improvements necessary to protect continued Port access and operations; and be it further

RESOLVED, that the Board acknowledges the leadership and contributions of Board Director Conchita S.N. Taitano in advancing the Port's sustainability and climate resilience portfolio, WSP in its role as the Port's Owner Agent Engineer, Jacobs in its role as Clean Ports subgrantee and technical consultant, Port management and staff, and the Port's federal partners in establishing the planning, technical, environmental, and institutional foundation supporting the Port's broader resilience strategy; and be it further

RESOLVED, that the Board recognizes the project as supporting a One Guam approach to transportation resilience, supply chain continuity, energy security, environmental sustainability, disaster preparedness, economic stability, military logistics, and national defense readiness in the Indo-Pacific; and be it further

RESOLVED, that the Board further recognizes that the Port Authority of Guam, together with the Guam Department of Public Works, has completed substantial project development, vulnerability assessment, budgeting, technical planning, interagency coordination, and federal grant preparation and is positioned to advance the project following federal award; and be it further

RESOLVED, that the Board affirms that the Port's support for the project extends beyond the pendency of a particular grant review and reflects a continuing institutional determination that Route 11 must be protected and strengthened as critical transportation infrastructure serving Guam and the national interest; and be it further

RESOLVED, that the General Manager is authorized to continue coordinating with the United States Department of Transportation Federal Highway Administration, the Guam Department of Public Works, the United States Environmental Protection Agency, Joint Region Marianas, United States Indo-Pacific Command, the Office of Local Defense Community Cooperation, the United States Maritime Administration, the Government of Guam, WSP, Jacobs, and other appropriate federal, local, and technical partners to advance the application and advocate for federal investment in the Route 11 Cargo and Fuel Facilities Access Resilience Project; and be it further

RESOLVED, that such coordination may include responding to federal requests for information and clarification, providing certifications and assurances, refining engineering and technical materials, coordinating environmental review and permitting, developing procurement and implementation documentation, and completing other activities necessary to demonstrate project readiness and advance federal review; and be it further

RESOLVED, that because the Port's application requests a 100 percent federal share, the Board recognizes that the proposed project does not require a Port matching contribution under the submitted funding request, and any subsequent material change requiring a Port contribution or otherwise increasing the Authority's financial exposure shall be brought to the Board for further consideration as required; and be it further

RESOLVED, that should the Port receive an award, management shall present the final federal award amount, total project cost, material grant conditions, project delivery responsibilities, funding structure, and any resulting Port financial exposure to the Board in accordance with applicable law and existing Board policies; and be it further

RESOLVED, that upon adoption, the General Manager is hereby authorized and directed to transmit a certified copy of this Resolution to Sean McMaster, Administrator, Federal Highway Administration; James "Jay" Payne, Deputy Administrator, Federal Highway Administration; the appropriate Federal Highway Administration program and division officials; the appropriate officials of United States Environmental Protection Agency Region 9; Stephen M. Carmel, Administrator, United States Maritime Administration; Mark D. Johnson, Deputy Administrator, United States Maritime Administration; William "Bill" Paape, Associate Administrator for Ports and Waterways, United States Maritime Administration; Gus Hein, Director, Mid-Pacific Gateway Office, United States Maritime Administration; Patrick O'Brien, Director, Office of Local Defense Community Cooperation; Steven Chung, Pacific Readiness Senior Project Manager, Office of Local Defense Community Cooperation; Lourdes Leon Guerrero, Governor of Guam; Joshua Tenorio, Lieutenant Governor of Guam; Vincent Arriola, Director, Guam Department of Public Works; Jesse Lujan, Chairperson of the Legislative Committee having oversight jurisdiction over the Port Authority of Guam; Rear Admiral Brett Mietus, Commander, Joint Region Marianas; and Admiral Samuel Paparo, Commander, United States Indo-Pacific Command; and be it further

RESOLVED, that such transmittal is intended to memorialize the unified commitment of the Port Authority of Guam Board of Directors and management to the Route 11 Cargo and Fuel Facilities Access Resilience Project and to demonstrate that the Port has identified, documented, planned for, and developed a specific response to a critical transportation vulnerability affecting Guam's only commercial seaport, fuel network, power infrastructure, disaster response capability, environmental resilience, economic lifeline, and strategic readiness; and be it further

RESOLVED, that this Resolution further communicates the Board's continuing position that investment in Route 11 is an investment in Guam's resilience, preserving the transportation link connecting Guam's principal maritime gateway to its communities, safeguarding the movement of essential goods and fuel, strengthening disaster recovery capability, protecting vulnerable coastal transportation infrastructure, and protecting infrastructure vital to the economic and strategic interests of the United States; and be it further

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

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 6th DAY OF NOVEMBER, 2026.

FRANK P. ARRIOLA
Chairman, Board of Directors
Port Authority of Guam

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

BOARD OF DIRECTORS
Frank P. Arriola, Chairman
Mark B.C. Mendiola, Vice Chairman
Fe R. Valencia-Ovalles, Board Secretary
Conchita SN Taitano, Board Member

Resolution No. 2026-16

RELATIVE TO MEMORIALIZING THE PORT AUTHORITY OF GUAM'S SEPTEMBER 2026 ENGAGEMENT WITH THE UNITED STATES ECONOMIC DEVELOPMENT ADMINISTRATION DURING THE FEDERAL INTERAGENCY CONVENING IN SAN FRANCISCO, ESTABLISHING THE EXPLORATION AND DEVELOPMENT OF A PORT INDUSTRIAL AND LOGISTICS PARK WITH WAREHOUSE CAPACITY TO SUPPORT TRANSSHIPMENT, REGIONAL DISTRIBUTION, CARGO CONSOLIDATION, MILITARY BUILDUP REQUIREMENTS, JOB CREATION, PRIVATE INVESTMENT, AND ECONOMIC DEVELOPMENT AS A STRATEGIC PORT PRIORITY, DESIGNATING VICE CHAIRPERSON MARK B.C. MENDIOLA TO SPEARHEAD THE BOARD'S CONTINUED DEVELOPMENT OF THIS INITIATIVE IN COORDINATION WITH THE GENERAL MANAGER AND PORT MANAGEMENT, AND SUPPORTING CONTINUED FEDERAL, TERRITORIAL, INDUSTRY, AND TECHNICAL ENGAGEMENT TO DEVELOP THE PROJECT CONCEPT, IDENTIFY FUNDING OPPORTUNITIES, AND PRESENT A FORMAL DEVELOPMENT STRATEGY TO THE BOARD.

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 development, operation, maintenance, and modernization of Guam's only commercial seaport and serves as the principal maritime gateway supporting the movement of cargo, fuel, construction materials, equipment, and other essential commodities necessary to sustain Guam's civilian economy and national defense mission; and

WHEREAS, Guam's geographic location in the Western Pacific provides an opportunity to strengthen the Jose D. Leon Guerrero Commercial Port's role not only as Guam's primary cargo gateway, but also as a regional logistics, distribution, and transshipment hub serving the Commonwealth of the Northern Mariana Islands, Micronesia, and the broader Pacific region; and

WHEREAS, expanding Guam's role as a regional logistics and transshipment center requires sufficient landside warehousing, staging, consolidation, storage, distribution, and industrial infrastructure capable of supporting the efficient movement and redistribution of cargo; and

WHEREAS, in September 2026, the Port Authority of Guam participated in a federal interagency convening in San Francisco led by Governor Lou Leon Guerrero to address Guam's infrastructure and service requirements associated with increased military construction, spending, defense activity, and the continuing military buildup; and

WHEREAS, the convening and interagency engagement were supported through the Government of Guam's continuing coordination with the Office of Local Defense Community Cooperation, which has played an important role in bringing territorial and federal partners together to identify infrastructure requirements, federal authorities, and potential funding pathways necessary to strengthen Guam's civilian and defense readiness; and

WHEREAS, the leadership of Governor Lou Leon Guerrero and the support of the Office of Local Defense Community Cooperation provided the Port Authority of Guam an important opportunity to engage directly with federal agencies regarding infrastructure, logistics, economic development, resilience, and other initiatives affecting the Port's ability to support Guam and the national defense mission; and

WHEREAS, Board Vice Chairperson Mark B.C. Mendiola led the Port Authority of Guam delegation participating in the federal interagency discussions, joined by Board Director Conchita S.N. Taitano, General Manager Rory J. Respicio, and Chief Financial Officer Jose B. Guevara III; and

WHEREAS, during the federal interagency convening in San Francisco, General Manager Rory J. Respicio advanced the concept of developing warehouse and related industrial and logistics capacity at the Port to strengthen transshipment, regional distribution, cargo support, job creation, and economic development, and the Port delegation subsequently engaged directly with representatives of the United States Economic Development Administration regarding potential federal pathways to advance such development; and

WHEREAS, Vice Chairperson Mark B.C. Mendiola expressed his support for further developing the concept and his interest in working with the Board and management to advance warehouse and industrial development as the Port evaluates future capacity, transshipment opportunities, regional distribution, military logistics requirements, private investment, and economic development needs; and

WHEREAS, the Port Authority of Guam has an established record of partnership with the United States Economic Development Administration through Award No. 07-79-07614 for the F1 Pier and Golf Pier Fuel Connectivity Project, with a total project amount of approximately $3.0 million structured on an 80 percent federal and 20 percent Port matching basis, representing approximately $2.4 million in EDA federal participation and approximately $600,000 in Port matching funds; and

WHEREAS, the EDA supported fuel connectivity work has funded engineering and design necessary to advance greater connectivity and resilience within Guam's critical fuel infrastructure, including expanded design elements associated with F1 Pier, Golf Pier, and Area A; and

WHEREAS, that EDA investment has been further complemented by a separate $12.85 million United States Department of Transportation Maritime Administration BUILD award for construction associated with the fuel connectivity project linking F1 Pier, Golf Pier, and Area A, demonstrating how coordinated federal investments can move Port projects from planning and design into implementation; and

WHEREAS, the Board recognizes the EDA and MARAD fuel connectivity partnership as an important model for the proposed Port Industrial and Logistics Park initiative, in which early federal support for feasibility, planning, design, and infrastructure development can position a strategic economic development concept for subsequent implementation and additional investment; and

WHEREAS, the proposed Port Industrial and Logistics Park could provide the physical platform necessary to support cargo consolidation and deconsolidation, warehousing, storage, staging, distribution, transshipment, light industrial activity, value added logistics services, and other maritime related commercial activity; and

WHEREAS, the initiative could strengthen Guam's regional supply chain role by allowing cargo destined for neighboring islands and other Pacific markets to be received, staged, stored, consolidated, redistributed, and transshipped more efficiently through the Port of Guam; and

WHEREAS, additional warehouse and logistics capacity could also enhance the Port's ability to attract logistics providers, distributors, wholesalers, manufacturers, freight forwarders, service companies, and other maritime dependent businesses seeking direct access to Guam's commercial seaport and regional transportation network; and

WHEREAS, development of a Port Industrial and Logistics Park has the potential to create new employment opportunities on Guam through planning, engineering, construction, warehouse operations, cargo handling, transportation, logistics, distribution, maintenance, light industrial activity, and other maritime related services generated by expanded Port activity; and

WHEREAS, the initiative could also stimulate broader private sector investment by creating strategically located industrial and warehouse capacity capable of supporting businesses that rely upon maritime transportation, cargo movement, storage, distribution, and supply chain services; and

WHEREAS, Guam's continuing military buildup is generating increased requirements for construction materials, equipment, supplies, staging, warehousing, transportation, logistics services, sustainment, and long term support infrastructure; and

WHEREAS, a Port centered industrial and logistics park could support the military buildup by increasing landside capacity for the receipt, storage, staging, consolidation, distribution, and movement of materials, equipment, supplies, and other cargo necessary to support military construction, sustainment, prepositioning, logistics operations, and long term defense activities on Guam; and

WHEREAS, the same warehouse and logistics infrastructure necessary to support the defense mission can also strengthen Guam's civilian economy, improve commercial supply chain capacity, support disaster response, expand regional trade, and create new opportunities for local businesses and workers; and

WHEREAS, this shared use reflects the One Guam approach by developing infrastructure that simultaneously supports civilian commerce, economic development, regional logistics, employment, and the national defense mission; and

WHEREAS, the Board recognizes that Port warehouse and industrial development should be pursued as part of an integrated economic and logistics strategy that strengthens cargo movement, regional distribution, fuel infrastructure, transportation access, private investment, and overall Port capacity; and

WHEREAS, the Port Industrial and Logistics Park concept should therefore be evaluated in connection with the Port's federal economic development and infrastructure portfolio, including the EDA supported F1 Pier and Golf Pier Fuel Connectivity Project, the MARAD BUILD fuel connectivity construction award, Marine Highway investments, surface transportation access, digital systems, and other initiatives that strengthen Guam's role as a regional logistics platform; and

WHEREAS, the Board recognizes that a successful industrial and logistics park initiative will require a documented business case addressing market demand, projected cargo volumes, transshipment potential, military logistics demand, warehouse capacity requirements, workforce needs, available Port property, infrastructure requirements, utility capacity, transportation access, environmental conditions, project cost, revenue potential, financing options, and federal funding eligibility; and

WHEREAS, development of such a strategy should also evaluate opportunities for lawful private sector participation while preserving Port ownership and control of strategic property, protecting core cargo operations, safeguarding the public interest, and ensuring that any proposed development produces measurable economic and operational benefits for the Port and the people of Guam; and

WHEREAS, the Board does not by this Resolution commit specific Port property, capital funds, leases, development rights, financing, procurement actions, or contractual arrangements, but instead establishes a structured process for evaluating the concept, pursuing available federal support, and returning to the Board with a defined project and business case before any binding commitment is made; and

WHEREAS, following the General Manager's advancement of the Port Industrial and Logistics Park concept and the Port's subsequent engagement with the United States Economic Development Administration, Vice Chairperson Mark B.C. Mendiola expressed his willingness to take a leadership role at the Board level in helping move the initiative from concept toward project development; and

WHEREAS, the Board desires to designate Vice Chairperson Mendiola to spearhead the Board's continued exploration, development, and advocacy of the Port Industrial and Logistics Park initiative in coordination with the General Manager, Port management, technical advisers, federal partners, industry stakeholders, and other appropriate entities; and

WHEREAS, the Board further desires to memorialize the September 2026 EDA engagement and establish a clear institutional direction to move the concept from discussion toward feasibility analysis, project development, federal funding identification, and eventual Board consideration of a formal development strategy; now therefore, be it

RESOLVED, that the Board of Directors hereby memorializes the Port Authority of Guam's September 2026 engagement with the United States Economic Development Administration during the federal interagency convening in San Francisco regarding potential federal support for warehouse and related economic development infrastructure at the Jose D. Leon Guerrero Commercial Port; and be it further

RESOLVED, that the Board acknowledges Governor Lou Leon Guerrero and the Office of Local Defense Community Cooperation for their leadership and support of the federal interagency engagement that provided the Port Authority of Guam the opportunity to present its infrastructure and economic development priorities and engage directly with the United States Economic Development Administration and other federal partners; and be it further

RESOLVED, that the Board establishes the exploration and development of a Port Industrial and Logistics Park, including warehouse and related cargo support facilities, as a strategic Port economic development initiative intended to support transshipment, regional distribution, cargo consolidation and deconsolidation, storage, staging, value added logistics, private investment, employment creation, and other maritime related commercial activity; and be it further

RESOLVED, that the Board recognizes the potential of the Port Industrial and Logistics Park initiative to create jobs, stimulate private investment, expand Port related commerce, strengthen Guam's logistics workforce, increase regional transshipment capacity, and provide additional warehouse and distribution infrastructure necessary to support both Guam's civilian economy and the continuing United States military buildup; and be it further

RESOLVED, that the Board recognizes the Port's existing approximately $2.4 million EDA federal investment, together with the Port's required local match, in the F1 Pier and Golf Pier Fuel Connectivity Project and the subsequent $12.85 million MARAD BUILD construction award as evidence of the value of coordinated federal partnerships in advancing strategic Port infrastructure from planning and design toward implementation and as a potential model for development of the Port Industrial and Logistics Park initiative; and be it further

RESOLVED, that the Board further recognizes that warehouse, logistics, and industrial capacity at the Port can support military construction, sustainment, prepositioning, logistics, and long term defense requirements while simultaneously strengthening commercial supply chains, regional trade, economic diversification, and employment opportunities for the people of Guam; and be it further

RESOLVED, that the Board recognizes the initiative as consistent with a One Guam approach because investment in shared logistics infrastructure strengthens the same transportation and supply chain system relied upon by Guam's civilian community and the national defense mission; and be it further

RESOLVED, that the Board designates Vice Chairperson Mark B.C. Mendiola to spearhead the Board's continued development and advocacy of the Port Industrial and Logistics Park initiative in coordination with General Manager Rory J. Respicio and Port management, with management continuing to carry out the technical, operational, financial, grant development, and intergovernmental work necessary to advance the initiative; and be it further

RESOLVED, that the Board supports the Port Authority of Guam's continued engagement with the United States Economic Development Administration, the United States Maritime Administration, the Office of Local Defense Community Cooperation, and other appropriate federal and territorial partners to identify potential planning, technical assistance, feasibility, design, infrastructure, and construction funding opportunities that may support development of the proposed Port Industrial and Logistics Park; and be it further

RESOLVED, that the initial development phase shall include evaluation of market demand, projected cargo growth, transshipment opportunities, military logistics requirements, warehouse capacity needs, candidate Port properties, land use compatibility, utilities, transportation access, environmental and permitting requirements, preliminary capital costs, operating expenses, potential revenue generation, workforce requirements, and available federal funding programs; and be it further

RESOLVED, that the initial development phase shall also evaluate anticipated direct and indirect employment creation, opportunities for local business participation, potential private investment, workforce development requirements, cargo growth, regional distribution demand, and other measurable economic benefits so that future Board decisions are supported by a documented economic and business case; and be it further

RESOLVED, that management shall evaluate appropriate ownership, financing, leasing, operating, and development models for the initiative, including lawful opportunities for private sector participation, while preserving Port ownership and control of strategic property and ensuring that any proposed arrangement protects the public interest and the Port's long term operational and financial integrity; and be it further

RESOLVED, that no provision of this Resolution shall be construed as authorizing the lease, transfer, sale, encumbrance, commitment, or disposition of Port property; expenditure of capital funds; issuance of debt; execution of a development agreement; establishment of a public private partnership; commencement of procurement; or any other binding transaction associated with the proposed initiative without subsequent Board consideration and approval where required by law or Board policy; and be it further

RESOLVED, that Vice Chairperson Mendiola and the General Manager shall periodically report to the Board regarding federal engagement, potential funding opportunities, preliminary project scope, candidate locations, market demand, industry interest, anticipated employment and economic benefits, military logistics requirements, and recommendations for further Board action; and be it further

RESOLVED, that upon completion of the initial development phase, management shall present to the Board a proposed Port Industrial and Logistics Park strategy identifying the business case, recommended location, preliminary scope, estimated capital and operating costs, proposed funding sources, anticipated employment and economic impacts, transshipment and cargo benefits, military buildup support requirements, governance and development options, and any additional Board authorizations necessary to advance the initiative; and be it further

RESOLVED, that upon adoption, the General Manager is hereby directed to transmit a certified copy of this Resolution to the appropriate officials of the United States Economic Development Administration; the Secretary of Commerce of the United States; the Administrator of the United States Maritime Administration; the Director of the Office of Local Defense Community Cooperation; the appropriate Office of Local Defense Community Cooperation Pacific readiness officials; the Governor of Guam; the Lieutenant Governor of Guam; the Guam Economic Development Authority; the Chairperson of the Legislative Committee having oversight jurisdiction over the Port Authority of Guam; Joint Region Marianas; United States Indo-Pacific Command; and other appropriate federal, territorial, economic development, industry, and technical partners; and be it further

RESOLVED, that such transmittal is intended to communicate the Board's commitment to exploring a Port centered industrial and logistics platform capable of expanding Guam's capacity for warehousing, regional transshipment, cargo consolidation, distribution, private investment, job creation, and maritime related economic activity while supporting the logistics requirements of the United States military buildup and preserving Port ownership, operational integrity, and responsible stewardship of public assets; and be it further

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

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 6th DAY OF NOVEMBER, 2026.

FRANK P. ARRIOLA
Chairman, Board of Directors
Port Authority of Guam

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

UPDATED: October 23, 2026

PORT AUTHORITY OF GUAM
CONTRACT SUMMARY UPDATE

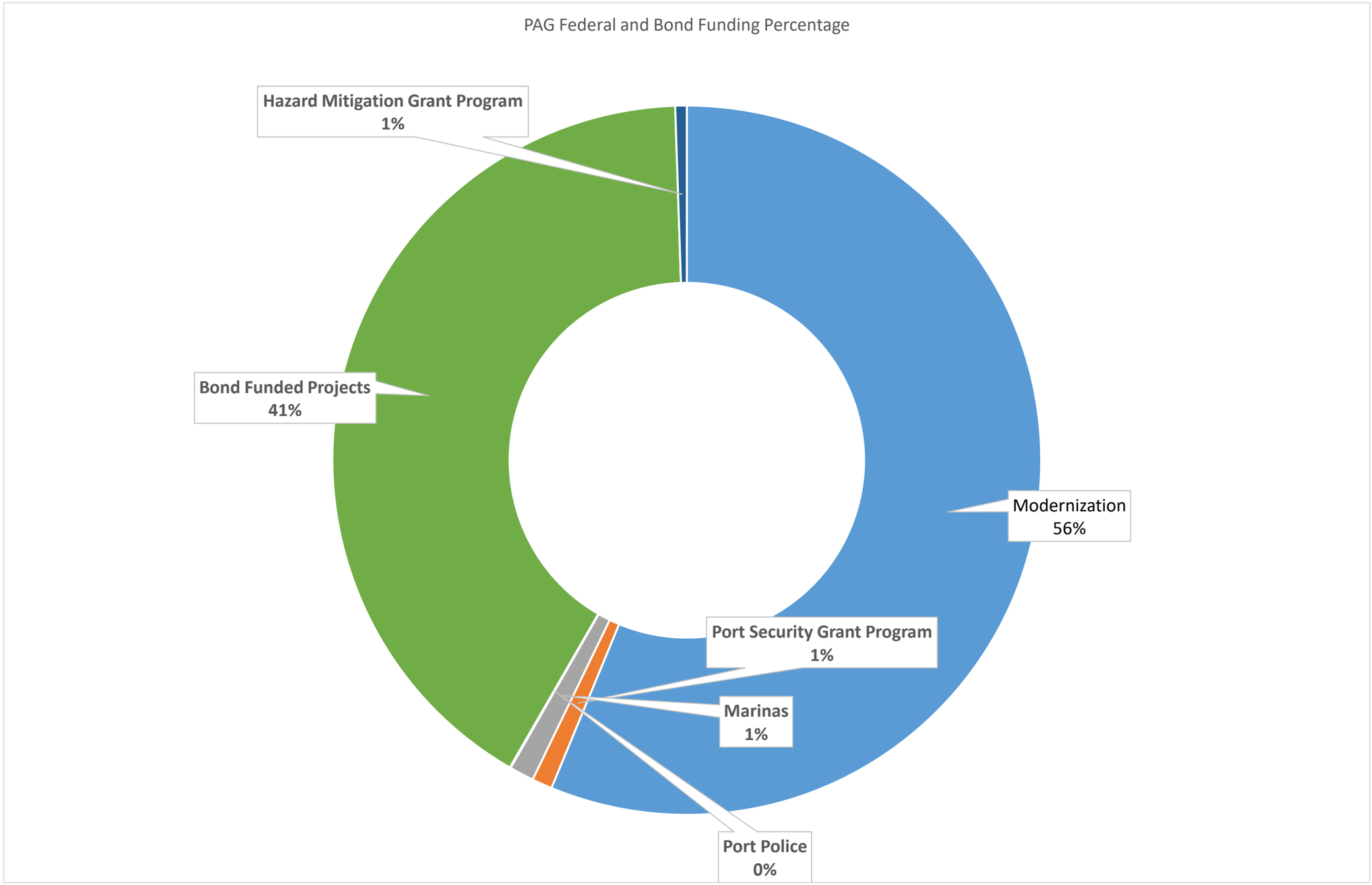
No.	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments / Notes)
PROFESSIONAL SERVICES									
1	A1 - Guam WEBZ	Web Development, Hosting, Support and Maintenance Srvcs	RFP-25-004	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	3 years with 2 1yr options	09/11/26-09/10/29	09/10/31	09/10/29	$75,000
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	EXPIRED				NEW RFP CURRENTLY OUT FOR SOLICITATION
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

UPDATED: October 23, 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)
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
15	AM Orient	A&E Design of Fuel Pipeline System	RFP 022-003	Planning/CIP	Extension of Contract via Amendment No 1	6/28/23 to 6/27/25 w/ 1 option	6/27/2027	Final Year	$2.3million
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

FY 2026 Port Grant/Bond - Monthly Update
As of October 13, 2026



FY 2026 Port Grant/Bond - Monthly Update
As of October 13, 2026

Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
Modernization	**$106,435,079.00**	**$5,988,521.06**	**$100,446,557.94**		
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. | PO No. 21958-OS issued 10/02/2026 to AMORIENT Engineering - $2,333,446.62	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:** The amendment of the A/E design scope of services to include additional design components and a biological survey of Golf Pier has been completed. The period of performance ends May 28, 2027.
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. **UPDATE:** The Certificate of Completion for this project was received on September 9, 2026. The project is now pending final punch list items for the roll-up doors and the closeout documents.
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. PO No 21652OS was awarded to Reaction Supply Company for the purchase of an 8-pack welding rack. The equipment is now pending delivery. **UPDATE:** Due to manufacturing issues, the PO was amended to be 2 4-pack welding racks at no additional charge. The equipment is still 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.

FY 2026 Port Grant/Bond - Monthly Update
As of October 13, 2026

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. PO No. 21939-OS for $147,920.00 Monster Auto Corporation	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:** The two utility trucks have been awarded to Monster Auto Corporation DBA Guam Autospot with a delivery date of 200 days. The forklifts are currently pending a Purchase Order.
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 #3- P.O. 21935-OS was issued to WSP to conduct an Environmental Assessment, Permits and Section 4(f). Amendment approved to change period of performance from September 30, 2026 to October 21, 2026. Total billed to date $300,308.04 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	**UPDATE:** The Environmental Assessment (EA) has advanced to the final review stage, with MARAD having reviewed the Draft Final EA. Regulatory coordination with 10 of the 11 agencies has been completed. The remaining action is obtaining written concurrence from the Guam State Historic Preservation Office (SHPO) on MARAD's Section 4(f) No Use Evaluation concerning the Commercial Port Historic District. PAG continues coordinating with project consultants and MARAD on the next steps, including public notice requirements and final environmental approval. Following completion of MARAD's NEPA review and issuance of the Finding of No Significant Impact (FONSI), coral translocation is anticipated to proceed around March 2027, subject to required permits and approvals.
U.S. EPA Clean Ports Program - Net Zero Emissions Strategy Update and Implementation Plan	$2,410,415.00	$809,526.35	$1,600,888.65		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:** PAG continues to pursue CATEX for the project. PAG received the Biological Assessment and submitted it to JRM for technical review, with agency consultations underway. The A&E design-build RFP is ready, pending completion of all agency consultations, permitting, and JRM's review of the documentation and supporting memo for technical sufficiency. PAG aims to submit the NEPA package to OLDCC ahead of the Q3 FY2027 timeline.

FY 2026 Port Grant/Bond - Monthly Update
As of October 13, 2026

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.
USDOT Maritime Administration BUILD 2026 - F1 to Golf Pier Fuel Connectivity Project	$12,852,074.00	$0.00	$12,852,074.00		**UPDATE:** This project funds the construction of a fuel pipeline system to connect two commercial fuel piers, F1 Pier and Golf Pier, in Guam. The scope of work includes the installation of approximately three 10-inch fuel pipelines (mogas, ULSD, and Jet A1), as well as the installation of associated valves and infrastructure. | **UPDATE**: PAG continues to coordinate with MARAD on the remaining requirements, including review of 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:** The project is scheduled to be rebid in the coming weeks.
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 is awaiting DOAG-DAWR approval of the modified scope and performance extension before advancing project.
C260600200 - DOAg Sport Fish Restoration - Repair of the Merizo Boat Ramp	$52,000.00	$0.00	$52,000.00		**UPDATE:** PAG is awaiting DOAG-DAWR approval of the modified scope and performance extension before advancing project.
C260600480 - DOAg Sport Fish Restoration - Maintenance and Structural Assessment of Malesso' Pier	$150,000.00	$0.00	$150,000.00		**UPDATE**: PAG is awaiting DOAG-DAWR approval of the modified scope and performance extension before advancing project.
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:** PAG submitted a no-cost performance extention to DOAG-DAWR. PAG is awaiting approval before advancing project.
F23AF03463-02 - DOAg Sport Fish Restoration Fund - Agat Marina Southern Walkway Repairs	$120,000.00	$0.00	$120,000.00		**UPDATE**: PAG will continue to coordinate with DOAG-DAWR and await approved MOA/NTP 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:** PAG submitted a no-cost performance extention to DOAG-DAWR. PAG is awaiting approval before advancing project.
Port Security Grant Program	**$1,753,073.00**	**$656,528.01**	**$1,096,544.99**		

FY 2026 Port Grant/Bond - Monthly Update
As of October 13, 2026

Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
EMW-2022-PU-00149 - Acquisition of Unmanned Aerial Vehicles (UAV)	$74,290.00	$48,420.75	$25,869.25	Purchase Order # 21476-OS and 21834-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 and the drone accessories on August 26, 2026.
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 Tw	$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 Po	$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 Divisi	$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 AW	$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**: An Environmental and Historic Preservation (EHP) review was submitted on August 26, 2026 for the security barrier system and modular floating dock system with FEMA's approval on September 14, 2026. A revised budget was submitted to FEMA to lift the budget hold on October 8, 2026 and pending approval.
EMW-2026-PU-05425	$76,800.00	$0.00	$76,800.00		**UPDATE:** On Oct. 2, 2026, the PAG received an email notification that its grant application submitted for the FY26 PSGP was awarded for one IJ- Resilient Satellite Communications/ Starlink Deployment
Hazard Mitigation Grant Program	**$989,564.00**	**$746,854.29**	**$242,709.71**		

FY 2026 Port Grant/Bond - Monthly Update
As of October 13, 2026

Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
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**	**$76,970.61**	**$562.88**		
Operation A'dai He'Hao	$77,533.49	$76,970.61	$562.88		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:** FY 2026 activities are complete pending the delivery of the speed sign trailer.
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. The contract extension has been approved through January 2027. Prep work for connecting to the new waterline is ongoing. **UPDATE:** BME & Sons' last day of work was October 12, 2026. Liberty Insurance is going the the process of hiring a new contractor to complete the remaining work.
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.

FY 2026 Port Grant/Bond - Monthly Update
As of October 13, 2026

Grant Funded Projects	Total Award Amount	Total Draw Down	Total Remaining Balance	PROCUREMENT IFB/RFP/PO Number	Status
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:** BME & Sons' last day of work was October 12, 2026. Liberty Insurance is going the the process of hiring a new contractor to complete the remaining work.
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. PAG received FEMA's denial of appeal on October 8, 2026 and will be preparing a second appeal letter.
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	**$189,258,479.49**	**$23,097,369.30**	**$166,161,110.19**		

Port Authority of Guam
Operations Division Report
SEPTEMBER 2026

I. OVERVIEW

Vessel Calls	22
Cans Handled	8,213
Special Service(s)	89

a. Productivity

Vessel Op	Avg NMPH	TOP GANG	M/Hr
Matson			
Domestics	20.6	2	24.0
Feeders	15.7	6	32.4
MSA			
Barges/Merdian	0.0		0.0
Mariana	0.0		0.0
Triton/Galaide	19.0	6	24.0
Kyowa	15.5	3	18.1
MELL			
Kotas	18.2	3	23.3
APL			
OCEANIA/ISLANDER/PRES	18.9	5	21.1
MSA/Melissa C	0.0		0.0

b. Equipment Status

As of : 9/30/2026	ON HAND	UP	RM	Repair
GANTRYS	3	3		0
TOP LIFTERS	10	3		7
SIDELOADERS	3	2		1
20T FORKLIFT	2	0		2
10T FORKLIFT	4	1		3
5T FORKLIFT	12	7		5
TRACTORS	29	12		17

II. YEAR TO DATE

a.

Vessels_YTD	304

b. Can_Cnt YTD

SEPTEMBER	FY25		FY26		Variance	
	I	E	I	E	I	E
Local	33010	32220	36440	34267	10%	6%
TS	6532	6673	6920	6887	6%	3%
TSMT	2477	2662	3502	3508	41%	32%
Others (OS/Sh/Reh)	483	523	661	673	37%	29%
TTL	42502	42078	47523	45335	12%	8%

PORT AUTHORITY OF GUAM

FISCAL YEAR 2026

WORK INJURY REPORT

Reporting Period: January 1 – December 31, 2026
Statistical Reference Date: October 26, 2026

1. WORK INJURY STATISTICS BY DIVISION

Division	Lost-Time Injuries*	Recordable Injuries**	Refused Medical Treatment***
Stevedoring	0	0	0
Transportation	0	1	0
Terminal	0	0	0
Equipment Maintenance and Repair (EQMR)	0	3	0
Port Police	0	0	0
Administration (Admin)	2	0	0
Safety	1	0	0
TOTAL	**3**	**4**	**0**

2. WORK INJURY SUMMARY

Performance Measure	Reported Result
Total Injury Classifications	**7**
Total Lost-Time Injuries	**3**
Total Recordable Injuries	**4**
Total Refusals of Medical Treatment	**0**
Date of Last Disabling Work Injury	October 13, 2026
Days Since Last Disabling Work Injury (as of October 26, 2026)	**181 days**
Port Authority of Guam Best Record Without a Disabling Work Injury	**222 days**
Days Remaining to Equal the Established Record	**13 days**

Safety Performance Overview

As of October 26, 2026, 181 days had elapsed since the last disabling work injury recorded on April 28, 2026. The Port Authority of Guam's established best record is 222 consecutive days without a disabling work injury. Based on these dates, 41 additional days without a disabling work injury would be required to equal that record.

3. DEFINITIONS

Classification	Definition
*** Lost-Time Injury**	A work-related injury that results in a medical doctor directing the employee to remain off work.
**** Recordable Injury**	As defined for this report, a work-related injury involving medical treatment after which the employee is released to return to work on the same day.
***** Refused Medical Treatment**	A case in which the employee refuses medical attention and Workers' Compensation Forms 201 and 202 are filed for recordkeeping purposes.