



PORT OF GUAM
ATURIDATI PUEYTON GUAHAN
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Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

REGULAR MEETING OF THE BOARD OF DIRECTORS
Jose D. Leon Guerrero Port Authority of Guam
Monday, February 17, 2014
11:30am

AGENDA

- I. CALL TO ORDER
- II. ELECTION OF OFFICERS
 - a. Vice Chairperson
 - b. Board Secretary
- III. APPROVAL OF MINUTES
 - a. December 2, 2013 – Regular Board Meeting
 - b. January 3, 2014 – Special Board Meeting
- IV. PUBLIC COMMENT:
 - a. Public Comments
 - b. Employee Comments
 - c. PAGGMA Association
- V. GENERAL MANAGERS REPORT
- VI. OLD BUSINESS
 - a. Cementon Micronesia
 - b. GEDA Loan Status
 - c. Port Modernization Program – Implementation Plan
 - d. Workers Compensation Insurance – Legislation
 - e. PB Contract
 - f. Property Leasing/Development: Facility User Fees
 - g. Emergency Generator
 - h. Mobile X-Ray Screening Machine
- VII. NEW BUSINESS
 1. Board Resolution No. 2014-01 – Michael Benito
 2. Board Resolution No. 2014-02 – Daniel Tydingco
 3. Fiscal Year 2013 - Audit
 4. Procurement Contract Award/Approval:
 - a. RFP-PAG-013-004 Implementation and Integration Services for TOS
 - b. RFP-PAG-013-003 Management and Operations Services for F-1 Fuel Pier Facility
 - c. RFP-PAG-014-001 Professional Services for the Maintenance of Port's Compensation and Classification Plan
 - d. IFB-PAG-CIP-014-001 Container Yard Striping Project, Phase I
 5. Capital Improvement:
 - a. F2 / F3 West Gate
 - b. Stormwater Pollution Prevention Plan

6. Travel Authorization:
 - a. Ratification of Emergency Operations Center – Incident Management Team (IMT) Interface Course, February 3-6, 2014, Emmetsburg, MD
 - b. Smith Wesson Academy: MP Pistol & Rifle Armorer Course, March 18-20, 2014, Springfield, MA
 - c. Emergency Management Institute, March 24, 2014, and August 2014 Emmetsburg, MD
 - d. 2014 AAPA Port Finance Seminar, April 8-10, 2014, New Orleans, LA
 - e. 2014 Miami Cruise Shipping Conference 30th Anniversary, March 10-13, 2014, Miami Beach, FL

- VIII. EXECUTIVE SESSION
- a. Open Legal Issues
 - b. Personnel Matters

- IX. ADJOURNMENT



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**MINUTES OF THE
REGULAR MEETING OF THE BOARD OF DIRECTORS
Monday, December 2, 2013**

I. CALL TO ORDER

There being a quorum, the regular meeting of the Board of Directors was called to order at 11:40 a.m., Monday, December 2, 2013. Present at the meeting were:

Daniel Tydingco, Chairman
Christine Baleto, Vice Chairperson
Shelly Gibson, Board Secretary
Francisco Santos, Member
Maria D.R. Taitano, Acting General Manager
Atty. Michael Phillips, Legal Counsel

Absent were General Manager Joanne M.S. Brown and Deputy General Manager (Operations) Felix R. Pangelinan. Also present were Phillips & Bordallo law office-John Bell; Cementon Micronesia-Johnson Ma, Esther Rebadulla, Jerry Tang; Office of Senator Tom Ada-William Brennan; KUAM-Ken Quintanilla; AmOrient Engineering-John Robertson and Port Management staff.

II. APPROVAL OF MINUTES

a. **November 12, 2013:** The Vice Chairperson made motion to approve the minutes of November 12, 2013 subject to correction. The motion was seconded by Ms. Gibson and was unanimously passed.

III. PUBLIC COMMENT

- a. **Public Comment:** None.
- b. **Employee Comment:** None.
- c. **PAGGMA Association:** Mr. John B. Santos, President of PAGGMA Association reminded everyone about the Christmas party held at the Nikko Hotel on December 14, 2013.

Before proceeding further with the agenda items, the Chairman asked whether there were any objections to add under new business Travel Authorization: Association of Pacific Ports 2014 Winter Conference. There being no objections, such item was inserted under new business.

IV. GENERAL MANAGERS REPORT

The Acting General Manager reported the following item(s) under General Manager's report.

1. GPA request to grade and backfill portion of Parcel 1 for Parking: On November 7, 2013, the Port received a letter of request from Mr. Joaquin Flores, Guam Power Authority (GPA) to allow GPA to place additional base course material and level the existing footprint of the parking area at the GPA Cabras Power Plant in order to smooth the parking area, reduce potholes and mud that is tracked onto Route 11. GPA has been using a portion of Parcel 1 Port property for vehicle parking due to critical infrastructure protection measures that prohibit privately owned vehicles from parking in the GPA Cabras Plant Compound. Any cost associated with this exercise will be borne by GPA and will also be responsible for any permitting requirements. In an effort to maintain the area, the Port sought the assistance of GPA to provide maintenance upkeep such as grass cutting starting at the intersection of Route 1 and Route 11, ending at the Truck Enforcement Screening Station. The Port will handle all other remaining areas of port compound.

The Chairman asked whether the area is currently leased by GPA. Mr. Glenn B. Nelson, Commercial Manager said attempts were made to enter into a lease agreement with GPA which is under an acre; however, did not materialize. The Chairman directed management to enter into a lease agreement with GPA in order to capture revenues for the Port Authority. He mentioned that he had no issues with GPA improving Port property; however, such improvements will be at GPA's expense.

With respect to divisional reports, the Vice Chairperson asked that management include as part of the Financial Report an accounting of year end on the crane surcharge and facility maintenance fee funds.

V. OLD BUSINESS

a. Cementon Micronesia: At this time and without objections, Mr. Jerry Tang, Cementon representative was allowed to address the Board. Mr. Tang thanked the Board and mentioned that a meeting was held recently with the Port Team. A final inspection of the Cementon facility has been completed. The next step is to coordinate with Mobil on an open window schedule for Cementon vessel in hopes to call port by January 2014. The Chairman congratulated Cementon with its progress in getting closer to being operational. As to the Port, he recalled Board approval in holding Cementon's lease payments in abeyance and asked for the status. Mr. Nelson reminded the Board that the lease payment will resume once Cementon Micronesia is operational to a point where the cement product is first discharged.

b. GEDA Loan Status: The Acting General Manager said the Port received the language on the pledge of revenues from Bank of Guam which is currently under review with legal counsel. Once review is completed, the documents will be forwarded to the Public Utilities Commission (PUC). The Chairman advised management to submit the loan documents to PUC this week for consideration at their meeting this month. In the meantime, Legal Counsel is to determine whether management can proceed with bid issuance for the service life extension

projects pending PUC filing formalities. After having contacted the office, Legal Counsel confirmed that in a review of the pledge of revenue language, there are no changes.

c. **Port Modernization Program–Implementation Plan:** Mr. John B. Santos, Operations Manager reported that the port modernization project Phase I on the renovation of the container freight station is currently ongoing which is anticipated to be completed in February 2014. Additionally, Phase II of the port modernization includes the demolition of Warehouse II, scale house and old gas station which is also ongoing. Completion date of this project is May 2014. In connection to this, the Chairman mentioned that an invitation was received from the Maritime Administration along with Secretary Anthony Foxx of the U.S. Department of Transportation to attend a meeting sometime next week to discuss the port modernization programs. Also, the Chairman said that after having fulfilled his obligation in the Congressional Ports Caucus, Congresswoman Madeleine Bordallo is intending to appoint Vice Chairperson Baletto.

d. **Workers Compensation Insurance – Legislation:** Communication was made with Senator Chris Duenas last week and it was mentioned that there is a draft bill that is currently under consideration.

e. **Gantry 3 Maintenance:** As presented in previous meetings, the Acting General Manager said the Port budgeted \$700K for outside labor and \$250K for parts/materials; totaling \$950K for maintenance and repair of Gantry 3. The issue being presented is that the repair and maintenance of Gantry 3 continued to proceed. The Port has determined that the additional claim from Matson amounts to \$370,306.76 for outside labor. Based on this, management is requesting Board's approval to pay Matson's claim for the additional labor cost.

The Chairman asked whether the repair work could have been pushed out later in the fiscal year. Mr. Joaquin P. Pangelinan, Manager-Equipment Support Services said the repair work is for regular general maintenance of Gantry 3 that includes corrosion, mechanical, and any other repairs necessary to keep the crane operational. He mentioned that the maintenance and repair cost moving forward should reduce as port maintenance staff has replaced Matson's sub-contractor in the maintenance of the crane. Additionally, with respect to the budget, the Port will ensure that cost associated with the repairs and maintenance is on track. The Vice Chairperson appreciates the daily maintenance on the gantry crane will be conducted by Port employees rather than having to expend cost for outside labor, especially since the Port's intention is to decommission Gantry 3 in the near future. As to the matter being presented, work has already been performed that the Port benefited from and therefore should acknowledge the invoice. She stated that in addressing this cost, at some point there may be a need to appropriate additional funding to support the gantry crane maintenance and repair moving forward which can be taken up during the mid-year budget review.

The Vice Chairperson made motion to approve the payment for Matson for work already performed on Gantry 3 in the amount of \$370,306.76 from the fiscal year 2014 budget subject to the availability of funds and from this point forward the Board is to be apprised of any budget request in keeping Gantry 3 operational. Motion was seconded by Mr. Santos. In calling for the

votes, all those who voted in favor of the motion were the Chairman, Vice Chairperson, Director Santos. Ms. Gibson opposed. The motion on the floor was approved by a majority vote.

VI. NEW BUSINESS

Under new business, there were no objections to address item 1. Board Tenure and Succession at the latter part of the meeting session.

2. **Citibank Account:** The Acting General Manager said as a member of Citibank, notification was provided to the Port regarding the bank's intention of closing all banking deposit account services by February 2014. The Port currently has over \$6M in a money market account with Citibank. Management is currently looking at other banking institutions to transfer those funds. The Vice Chairperson wondered whether this service would go through the bid solicitation process. Mrs. Alma B. Javier, Procurement Manager mentioned that the Port currently has a contract for banking services with Bank of Guam and is looking to explore the possibility of transferring those funds to such financial institution. If unable to do so, management will seek to issue the bid.

Mr. Santos made motion to authorize management to determine whether the deposit can be transferred to existing banking services contract with Bank of Guam and if not, to proceed with bid issuance on banking services, seconded by the Vice Chairperson. The motion was unanimously approved.

3. **Bill No. 157-32: relative to the proceeds derived from the disposal of excess or surplus supplies and equipment that are the property of the Port Authority of Guam:** The Acting General Manager mentioned that Bill No. 157-32 has been enacted into law on November 27, 2013, now Public Law No. 32-081. The law allows the Port that when engaged in disposing of excess or surplus supplies and equipment purchased with funds generated from the Port and not from the General Fund that ninety percent of total proceeds from the sale, lease or disposal shall revert to the Port and the remaining ten percent of total proceeds shall be deposited into the Guam Procurement Advisory Council Support Fund.

4. **Capital Improvements – Facility Refurbishment: CFS Building:** It was reported that an assessment was performed by EA Engineering, Program Management Team of the Maritime Administration on the Container Freight Station (CFS) building and had concluded that refurbishment is necessary for spalling, crack repairs and roof joint re-sealant for 3 Bays. The cost proposal is approximately \$25K. Based on this, Board approval is being requested to authorize management to use the Facility Maintenance Fee to cover this repair cost.

Ms. Gibson made motion to approve the \$25,000.00 from the Facilities Maintenance Funds to cover repair cost of the Container Freight Station building specific to spalling, crack repairs and roof joint re-sealant for 3 Bays, seconded by Mr. Santos. The motion was unanimously approved.

Management was advised to seek MARAD's assistance in the ongoing project repair of the CFS building in an attempt to allow for a change order as oppose to bid issuance.

5. **Merit Bonus / Increment (Retirees & Inactive Employees)**: As reported in previous board meetings, staff has completed with its examination and review of personnel files relating to retirees and inactive employees of the Port. The examination concludes that a total of 70 retirees and inactive employees are eligible to receive merit bonuses and/or increments. Board action is being requested to authorize management to use lapse funds in the amount of \$191,795.00 from salaries and benefits of approved positions in the FY2014 budget that have yet to be filled.

Ms. Gibson made motion to authorize management to use lapse funds in the amount of \$191,795.00 from salaries and benefits of approved positions in the FY2014 budget that have yet to be filled to cover the cost of 70 retirees and inactive employees to receive merit bonuses and/or increments, seconded by Mr. Santos. The motion was unanimously approved.

6. **Gregorio D. Perez Marina Phase III**: Mr. Simeon S. Delos Santos, Engineer Manager mentioned that GDP Marina Phase II has since been completed. The remaining funds for this project amounts to \$1.2M, of which \$950K has been reprogrammed to Agat marina on dock repair work and the remaining for GDP Marina Phase III to address environmental requirement issues, lighting system, canopy structures and stormwater discharge regulation. Based on this, he requested Board authorization to proceed with the design cost for additional GDP Marina Phase III scoping in the amount of \$121,543.39. The Vice Chairperson appreciates moving forward with GDP Marina Phase III; however, she expressed concern that Agat marina is in dire need of repair given its current safety condition. She commented that a lighting system and canopy structures appears more cosmetic for GDP Marina Phase III as oppose to functional and operational for the Agat marina where it garners more revenues. The Vice Chairperson prefers that given the conditional state of Agat marina that all remaining funds be applied towards such marina to complete the repair work of the docks. After discussion, Mr. Delos Santos reminded the Board that the intended use of the DOI-OIA grant funding was for the completion of GDP Marina Phase I, II, and III. However, he said acknowledging the conditional state of Agat marina and in aid of repairing those docks, \$950K out of \$1.2M of excess funds remaining from the completion of GDP Marina Phase II have been reprogrammed for those repairs. Mr. Delos Santos expressed to the Board that the concern in not pursuing with the design of the GDP Marina Phase III at this time will place a set-back in readily meeting all the environmental requirements in time for the grant application for construction. The Vice Chairperson reiterated that given the safety and operational concerns with Agat marina which is a priority at this point, is more comfortable with reprogramming any funds available towards those repairs. She was concerned that the \$950K could conceivably be insufficient to support the Agat marina dock repairs for C, D, and possibly B and had suggested that until the actual cost is determined from the bidding process, that any funds available to support the completion of Agat marina project is used for this purpose. At this time, the Chairman directed management to prepare a comparison in the use of \$121K for GDP Marina Phase III against Agat marina to be presented to the Board at the next meeting.

7. **Contract Award / Approval: RFP PAG-013-002 A/E Design Consulting Services:** The Vice Chairperson made motion to approve the award for the A/E Design Consulting Service contract in the amount of \$182K to AM Orient Engineering for the implementation of Task Order No. 1 as required by the RFP PAG-013-002, seconded by Mr. Santos. In calling for the votes, all those who voted in favor of the motion were the Chairman, Vice Chairperson, Director Santos. Ms. Gibson opposed. The motion on the floor was approved by a majority vote.

8. **Travel Authorization:**

a. **FEMA WMD RAD/NUC HazMat Tech Course, January 13, 2014, Las Vegas, Nevada:** Mr. Santos made motion to approve travel authorization for port personnel to attend the FEMA WMD RAD/NUC HazMat Tech Course on January 13, 2014 held in Las Vegas, Nevada, seconded by the Vice Chairperson. Motion was unanimously approved.

b. **Association of Pacific Ports 2014 Winter Conference, January 16-17, 2014, Kauai, Hawaii:** Mr. Santos made motion to approve travel authorization for Board of Director Christine Baleto and General Manager Joanne Brown to attend the Association of Pacific Ports 2014 Winter Conference on January 16-17, 2014 held in Kauai, Hawaii, seconded by Ms. Gibson. Motion was unanimously approved.

RECESSED

At this time, the members agreed to take a break. The meeting recessed at 12:45 p.m.

RECONVENED

The members reconvened the meeting at 1:15 p.m.

1. **Board Tenure and Succession:** The Chairman said in communication with the Port Oversight Chair, has since received the board appointment packet for a successor in his position and will be scheduling a confirmation proceeding next week. In light of this, the Chairman mentioned that in order to ensure there is continuity of this Board and port operations, he recommended that for his replacement the Board move towards a successor insofar as chairing board activities effective January 2014 regular Board meeting. The Vice Chairperson agrees and expressed that this body should consider some sort of transition so as to not impact any port activity or operations.

Without further discussion, the Vice Chairperson made motion to nominate Mr. Francisco G. Santos as Chairman of the Board of Directors to take effect January 2014 regular Board meeting. The motion on the floor was seconded by the Chairman and was unanimously approved. Mr. Santos thanked the members and expressed the honor to continue on with the leadership of this Board for the Port Authority. He mentioned that he looks forward in working as a team, and supporting management in moving the port projects along.

The Chairman said on behalf of former Directors Benito and Ilaio as well as the incumbent members it has been a privilege having served on this Board. The Chairman expressed that throughout his tenure there have been significant progress and advancement of the

Port some of which includes acquiring the necessary supplies and equipments; issuing the payments of the merit bonus/increment; port modernization reset and calibrated properly; announcements in the coming weeks with MARAD and USDOT Anthony Foxx regarding port modernization plan; acquisition of the POLA Cranes; property lease with Cementon Micronesia to commence operation next month; and service life extension for the wharf repairs. The Chairman mentioned that it has been a great opportunity serving on this Board and expressed sincere gratitude to everyone. The Acting General Manager said on behalf of Port management and staff, she thanked Chairman Tydingco for his support, guidance and leadership.

VII. EXECUTIVE SESSION

No executive session discussed.

VIII. ADJOURNMENT

There being no further business to discuss, it was moved by Ms. Gibson and seconded by the Vice Chairperson to adjourn the meeting at 1:25 p.m. The motion was unanimously passed.



MARY MICHELLE GIBSON, Board Secretary, Board of Directors

APPROVED BY:



DANIEL J. TYDINGCO, Chairman, Board of Directors





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**MINUTES OF THE
SPECIAL MEETING OF THE BOARD OF DIRECTORS
Friday, January 3, 2014**

I. CALL TO ORDER

There being a quorum, the special meeting of the Board of Directors was called to order at 11:00 a.m., Friday, January 3, 2014. Present at the meeting were:

Daniel Tydingco, Chairman
Christine Baleto, Vice Chairperson
Shelly Gibson, Board Secretary
Francisco Santos, Member
Joanne M.S. Brown, General Manager
Maria D.R. Taitano, Deputy General Manager (Admin/Finance)
Atty. Michael Phillips, Legal Counsel

Absent were Deputy General Manager (Operations) Felix R. Pangelinan. Also present were Office of Senator Tom Ada-William Brennan; AM Insurance-Trish Granillo; Pacific Daily News-Michelle Conelly; AmOrient Engineering-John Robertson; KUAM-Ken Quintanilla, Joe Termulo; GFT-Joleen Castro and Port Management staff.

Before proceeding with the agenda items, the Chairman asked whether there were any objections to add items relating to Parsons Brinckerhoff Contract and Port General Manager Evaluation. There being no objections, such items were added.

II. OLD BUSINESS

a. **Port Generators:** As reported in previous meetings, the General Manager said as of May 2013 LC-4 generator burnt out which provides power for refrigeration containers. LC-1 generator from the Administration building was then relocated to support the power failure of LC-4. Since that time, the Port requested from the Governor an emergency declaration not just for the replacement of the power lines, but also to replace the generators. Afterwards, the General Services Agency (GSA) contacted the Port indicating the timeline to procure the generator would exceed the 30-day mandate and was only able to go through the normal procurement process. Back and forth discussions then ensued with GSA on the generator standards and emission requirements of the U.S. Environmental Protection Agency. The General Manager mentioned that discussions were made between counsel and the Governor's counsel to see whether the Port is able to pursue and request the Governor for an emergency procurement. Port counsel conducted further research that determines the 30-day requirement is not a

limitation for doing that. She said the Port also communicated with Department of Public Works (DPW), having jurisdiction on construction procurement, to review port operations as there are physical modifications to be made on the existing load center (LC) units. Based on DPW's assessment, had recommended to go through a construction contract, while GSA contends that the Port go through goods and supplies procurement.

The Chairman asked how long have the challenge been in procuring the generators and the adverse impact it would have on the community. The General Manager replied that it has been almost seven months. LC-2 and LC-3 units are also down and in the event LC-1 shuts down, the impact would be quite significant because not only would all of the refrigerated containers of commodities worth millions be of grave concern, the Port will not be able to operate administratively nor operationally and would basically come to a standstill. The General Manager further mentioned that the grantor has approved the Port to pursue acquisition of the generators through Federal GSA should the decision be to do so. The Chairman clarified whether counsel along with Governor's counsel are continuing discussions on the emergency procurement. The General Manager replied positively.

b. **SLE Loan Status:** The Deputy General Manager (Admin/Finance) said documents has been submitted to the Public Utilities Commission (PUC) and is contingent on the approval of the interim tariff. The public hearing for the interim tariff is set for January 22 and 23, 2014. The Port anticipates these items will be placed on the PUC Board agenda end of this month. The General Manager added that with respect to the language on the sovereign immunity to cover legal fees in the event the Port defaults on the loan, counsel reviewed the language proposed and has no issues.

c. **CFS Repair:** The General Manager recalled that the Board had approved repair work on 3 bays of the CFS building to refurbish the spalling and roof; however, the CFS building has a total of 10 bays that is in need of repair to which will include roof hatch covers. Based on this, Board approval is being requested to conduct repair work for all bays at the total sum of \$233K utilizing the Facilities Maintenance Fund.

Director Santos made motion to approve \$233,000.00 from the Facilities Maintenance Fund to cover repair cost on all bays of the Container Freight Station building to address the spalling and roof leaks as well as acquiring roof hatch covers, seconded by Ms. Gibson. The motion was unanimously approved.

d. **GFT Union Contract:** By way of background, the General Manager said in 2012 previous management and the Board approved a version of the GFT contract. Early part of last year, the Attorney General had advised the Port that by law it requires government contracts to be signed by the Attorney General as well as the Governor. The other factor is the Governor has yet to sign the contract. The Port and counsel met with GFT representatives on December 20, 2013 and the Port had expressed a major concern in the language relating to the work week beginning from Monday through Friday from 8am-5pm and anything over would be deemed as overtime. She said the type of industry the Port runs is based on a shipping schedule and the most responsible mode of operation is to go from an 8 hour work day to a 10 hour work schedule

for four days a week, earning 40 hours per work week. And when there is a legitimate need for overtime to be accumulated there are no issues. The 10 hour work schedule is the current system in place rather than having employees being unproductive and basically not performing if using the regular 8 hours per work week schedule. The General Manager mentioned that GFT questioned the requirement of the Attorney General to sign the document and whether the actual contract does require the Governor's signature to be valid. It is the Port's position that it does under the law. The Vice Chairperson agrees and expressed that a schedule should be based on the operational needs of the Port. Director Santos expressed the same sentiments and mentioned that the ships port of call happens at various times whether day or night. The Chairman asked whether there is a requirement under the law for the Port regarding a workweek schedule. Legal Counsel replied that the employees are entitled shift work, but that can be defined. It was noted that the work schedule is provided to the employees two weeks in advance.

e. **Parsons Brinckerhoff Contract:** The General Manager mentioned that there are pending task orders that needs to be completed and the Port is looking at the possibility of utilizing Port's consultant, Parsons Brinckerhoff, services until September 2014 to finalize remaining work and be able to use federal funds of \$400K plus under the Office of Economic Adjustment (OEA). The Port and counsel with respective parties will look to address how that can move forward with the existing contract. It was noted that no new task orders will be added.

The Vice Chairperson made motion to authorize management to request from the Office of Economic Adjustment (OEA) on the ability to use OEA funds up through September 2014 to amend Parsons Brinckerhoff's contract so long as it is permissible under the current contract. Motion was seconded by Director Santos and was unanimously approved.

f. **Port General Manager Evaluation:** The Chairman asked that the General Manager's evaluation be forwarded to him.

III. NEW BUSINESS

1. **Approval of \$25K Funding for F-6 Bollard Repair:** The General Manager said on October 14, 2013 the Port sustained damage to the F-6 Bollard and is pursuing the responsible party. In the meantime, repair work is needed as the bollard is not in use due to unknown stability which creates an impact to port operations. Board approval is being requested in the amount of \$25K in order for management to proceed with the repairs.

The Vice Chairperson made motion to approve the repair work of F-6 Bollard in the amount of \$25,000.00 utilizing funds identified under the Capital Improvement Project budget item, seconded by Ms. Gibson. Motion was unanimously approved.

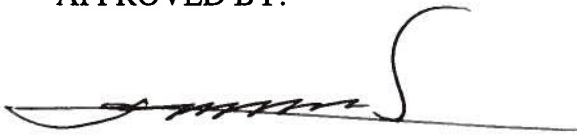
IV. ADJOURNMENT

There being no further business to discuss, it was moved by Ms. Gibson and seconded by the Director Santos to adjourn the meeting at 11:40 a.m. The motion was unanimously passed.



MARY MICHELLE GIBSON, Board Secretary, Board of Directors

APPROVED BY:



DANIEL J. TYDINGCO, Chairman, Board of Directors



General Manager Report
To
PAG Board of Directors
February 17, 2014

General Port Operations

Generator Procurement

On Monday, January 13, 2014, Governor Calvo signed Executive Order 2014-01 to authorize Emergency Procurement to replace much needed generators at LC-4 and LC-1. The Executive Order authorized the GM to procure “any backup generator or generators necessary to provide an uninterrupted power supply to sustain the Administration/Port Police or other PAG facilities the General Manager determines to be inadequately backed up by generator power.” The Executive Order also authorized the GM to “procure any goods, supplies, or services that were necessary to maintain, refurbish, or install any new or existing PAG backup generators.”

Governor Calvo had previously issued an Emergency Procurement on May 31, 2013 to replace damaged feeder cables to LC-4 and the generator that became inoperable after several weeks of running to provide a power supply to the refrigerated containers at the Port.

The Port initiated the process to procure the generators and provided a public press release on Friday, January 24, 2014 to notify interested companies to pick up a generator packet at the Port. The generator documents with specifications to include installation and required housing modifications were provided on Monday, January 27, 2014. A meeting and field visit was held on Thursday, January 30, 2014.

On Monday, February 3, 2014, Deputy Attorney General Patrick Mason informed Port Legal Counsel Mike Phillips that the Port “must enlist the Chief Procurement Officer to make the emergency Procurement of the backup generators for the Port.” Mr. Mason relayed that the procurement could not be undertaken without GSA.

Port Legal Counsels Mike Phillips and John determined that Assistant AG Pat Mason opined that in his view "Notwithstanding any other provision of this Chapter" does not apply to the provisions of 5 GCA Chapter 5 that place the Chief Procurement Officer in charge of procuring

supplies and equipment for PAG. Mr. Mason cited no authority for his reading of the statute in defiance of its express terms.

Port Counsels further determined that "The plain language of the Emergency procurement statute directly authorizes "the head (General Manager) of the purchasing agency (PAG) or (her) designee...to make emergency procurements," notwithstanding any provision of 5 GCA Chapter 5 which otherwise would require PAG to "enlist" the services of GSA (as CPO)."

Port Counsels further relayed that "a fundamental principle of statutory construction is that statutes are presumed to say what they mean and mean what they say. The express terms of the Executive Order, consistent with the emergency provision, authorized PAG to directly procure the necessary generators."

The GM and Legal Counsels determined that while they were not in agreement with Assistant AG Mason's interpretation, that in order to facilitate the procurement of the generators and avoid any further delays, the Port wanted to find a cooperative way to move forward.

The GM had been contacted by Ms. Acfalle after the Governor had declared an emergency on May 31, 2013 to replace the underground power lines to LC-4 and the generator that burned out after operating for several weeks, informing her that the generators could not be procured through emergency procurement as the delivery date extended beyond the thirty (30) day timeline. The GM had requested that if the generators could not be procured under the emergency that the generators be prioritized through the regular procurement process.

After months of delay, including the cancellation of a bid by GSA for the generators, due to the claim by a potential bidder that the specifications were poorly written and that the possible bidder would protest if the bid proceeded; debates on the availability of generators meeting the Tier 4 emissions requirements anticipated for enforcement by Guam and U.S. EPA in 2014-2015; debates on the Port's request for prime versus stand by generators; the issuance of a memo by GSA on Tuesday, October 29, 2014 that "All department and agency heads are hereby required to submit at least three market research documents attached to any and all requisitions in the amount of \$15,000.00 and above, showing similar specifications for the item(s) requested to avoid tailoring of the specifications towards a particular vendor. Any requisitions without the required three market research documents attached will be returned without action."

The Port was in the process of submitting its packet to GSA when this memo was issued and the Port raised objections to submitting additional documentation that required the Port to further engage with vendors as this process should fall under GSA's purview.

In December of 2013, an assessment had been conducted by DPW on the construction requirements needed in order to modify the existing load center structures to accommodate the installation and operation of the new generators. DPW determined that a construction contract could be pursued. DPW had previously delegated construction procurement authority to the Port in August of 2008.

The GM had met with Ms. Acfalle and GSA Legal Counsel Robert Kono on December 19, 2014. The GM relayed the assessment of DPW to move forward with a construction contract. Ms. Acfalle requested that the GM provide her a copy of DPW's written assessment. On Tuesday, December 24, 2013, Mr. Kono relayed that GSA did not feel that the specifications submitted did not fit a construction related activity.

On Thursday, February 6, 2014, the GM met with the Governor's Chief of Staff Frank Arriola and the Chief Procurement Officer Claudia Acfalle to discuss recommendations on how to proceed with the generator procurement. Mr. Arriola stated that the procurement of the generators were absolutely critical for the operations of the Port and wanted to find a cooper middle ground to move forward. The GM relayed that the Port had provided its specifications to interested bidders and also held a tour of the Port facilities and Load Centers 1 and 4 that would require generator installation and construction. She also stated that the Port had prepared written responses to questions relayed by possible bidders. The Port had yet to receive any bid submittals at this stage.

Ms. Acfalle informed the GM and Mr. Arriola that GSA could address the procurement of the generators within a four (4) day period. The GM provided Ms. Acfalle with the procurement file and relevant documents as the conclusion of this meeting. The parties agreed to work together to facilitate the procurement of the generators.

On Wednesday, January 12, 2014, Ms. Acfalle contacted the GM to relay that the procurement could not be completed within the emergency procurement timeline that was set to expire on Thursday, February 13, 2014. As such, she stated that GSA would need a three (3) week period to address the procurement of the generators. A new bid notice was published on Friday, February 14, 2014.

Power Outage Affecting Port Power Supply

On Saturday, February 15, 2014, the GM received notice from the Harbor Master, Maintenance Manager and Port Police that the underground power line supplying the Port with island power went down at 7:05 a.m. that morning due to a burnt line. The Port was servicing the Mell Lines Motor Vessel Jan during the power outage and fortunately did not have refrigerated containers in

the yard requiring a power supply. The underground power line was repaired and power was restored to the Port at 1:40 p.m.

Replacement of Underground Power Lines

On Friday, February 14, 2014 the GM received a report that that the underground power lines leading to LC-3 that feeds the CFS Building and High Tower had low readings. As a result of an inspection, it was determined that the electrical line had burned and required the replacement of 850 feet of electrical line times four (4) lines.

The estimated cost to purchase 4,000 feet of electrical lines is \$50,000. The GM is requesting the Board to approve the funding from the FMF to replace the lines.

Amendment to Task Orders 12, 28 and 35

On Thursday, February 13, 2014, the GM signed the following amendments with PB: Task Order 12, Amendment 1 for Port Capacity Building; Task Order 28, Amendment 15 for Project Management; and Task Order 35, Amendment 6.

The GM, Deputy GM for Finance and Administration and her staff worked in coordination with Port Counsel Mike Phillips to address the needed amendments with PB Project Manager Jeff Peck.

The Port Board had requested Port Management to address the remainder of OEA grant funds and remaining task under the Task Orders that needed to be fulfilled to address the Port's projects and rate petitions before the PUC.

Meeting with GFT on Union Contract

On Friday, December 20, 2013 Port management met with GFT Union Representatives to discuss the Union Contract with the Port at the GFT Office in Mangilao. Attending the GFT meeting on behalf of Port management were the GM, Deputy GM for Operations, Deputy GM for Administration and Finance, Operations Manager John Santos, Legal Counsel Mike Phillips, and Legal Counsel John Bell. There were also several Port Union representatives that were in attendance. Also present on behalf of the GFT were GFT President Tim Fedenko and Executive Director Joleen Castro.

A key point of the discussion with the Union that was of concern to the Port was contained in Section 2.J of the proposed agreement. According to this section, "Shift workers will work a minimum of eight (8) hours a day, five (5) days a week. The Port will provide shift workers with schedules for two (2) week periods, and will do so two (2) weeks ahead of the start of the

schedule. The Port will set shift workers' regular schedules to reflect workdays/nights of Monday through Friday."

Port management had previously implemented the request to provide work schedules two weeks in advance to its shift workers. However, management has concerns relating to the work day being set from Monday to Friday. The GM relayed this to GFT leadership and stated that current management would not recommend to the Governor to sign the GFT Agreement. The contract has yet to be signed by the Guam Attorney General and the Governor.

Ms. Castro relayed at the meeting that the Union was not of the position that the Agreement required the signature of the Attorney General or the Governor as it had been signed by the previous Port GM and Board Chairman on November 5, 2012.

The GM responded that the Port had no issue with the requirement of the Attorney General's signature and the Governor's signature and did not determine the Agreement to be in effect without the required signatures under Guam law.

According to 5 GCA§22601, the Attorney General's approval is required whenever the Governor of Guam is signing a contract.

As reported to the Port Board by the GM during its Friday, January 3, 2014 meeting, the vessels coming into the Port do not conform to a Monday to Friday, 8:00 a.m. to 5:00 p.m. schedule. The Operations Division has implemented a forty (40) hour schedule, where by employees complete their initial forty (40) hours before they begin to earn overtime as needed for Port operations.

On Sunday, December 22, 2013, Legal Counsel Bell emailed GFT President Fedenko proposed language that was recommended by Port management.

2.J. Shift Workers. Shift workers will work a minimum of ~~eight (8) hours a day, five (5) days~~ forty (40) hours a week. The Port will provide shift workers with schedules for two (2) week periods, and will do so two (2) weeks ahead of the start of that schedule. ~~The Port will set shift workers' regular schedules to reflect workdays/nights of Monday through Friday.~~

The Port may require shift workers to work overtime on days/nights the shift workers are scheduled to work, for a maximum of fourteen (14) hours of work per day. The Port may require shift workers to work overtime hours on weekends and holidays and will utilize a rotation system so that all shift workers are provided an equal opportunity to volunteer to work the overtime hours. If the Port is unable to secure sufficient number of workers to

satisfy the Port's work requirements on a weekend or holiday voluntarily, the Port may require employees to report to work.

On Friday, December 27, 2013, Ms. Castro responded to the Port and relayed that "we are evaluating the legal grounds for the refusal by the Governor to sign the contract that was ratified by the Port manager and Board in November 2012. We appreciate reviewing the Port's proposed contract changes in the work day, but we do not agree that the contract is open for further negotiation."

In light of the GFT's response on this matter, Port management has pursued no further action and maintains its position to request that the Governor not sign the agreement.

Port Authority FY 2013 Audit

On Wednesday, December 18, 2013, Port management met with representatives from the Office of Public Accountability (OPA). The purpose of the meeting was to address final issues related to the completion of the Port's FY 2013 Audit.

Present on behalf of the Port were the GM, Deputy GM for Administration and Finance, Acting Financial Affairs Controller, and the General Accounting Supervisor. Present on behalf of the OPA were Audit Supervisor Rachel Field, Staff Auditor Ashley Gaerlan. Present on behalf of Deloitte & Touche was Partner Lee Vensel.

On Friday, January 24, 2014 a follow-up meeting was held that was attended by the same parties that attended the previous meeting except for the Port's General Accounting Supervisor who was on leave. Also present at this meeting was Public Auditor Doris Brooks.

The highlights in the audit determined that the Port has managed to close out its fiscal years for the past eleven (11) years with an increase in net position. In 2012, the Port's net position was at \$2.1 million in comparison to 2013 with a net position of only \$92,000. The decline in net position was due to "the write-off and loss from disposal of property, plant and equipment of \$3.3 million related to environmental studies and surveys for projects in the Port Modernization Plan that will no longer be pursued."

Overall the report assessed that the Port is receiving "an unqualified (clean) opinion from independent auditors Deloitte & Touche, LLP for its financial statements and compliance report over major federal programs. The Port is applauded as no findings pertaining to federal funds were identified in FY 2013 as well as in FY 2012; therefore the Port may qualify to become a low-risk auditee next fiscal year."

The report goes on to cover the Port Revenues, Operating Expenses, Reports on Internal Controls and Compliance and Government Accounting Statements among other financial matters of the Port.

The Port is awaiting the final FY 2013 Audit Report to be released by the OPA. The Port Board is requested to approve the audit findings at this Board meeting.

Oversight Hearing with the Committee on Public Safety, Infrastructure and Marine Transportation

An Oversight Hearing was held by the Committee on Public Safety, Infrastructure and Marine Transportation on Tuesday, December 17, 2013. Attending the hearing were the GM, Deputy GM for Finance and Administration, Deputy GM for Operations, and Division Managers. Also present from the Port Board were Vice Chairperson Christine Baletto, Board Member Shelly Gibson and Chairman Elect Frank Santos.

The Port provided a presentation on the following agenda items: PAG Master Plan (MP) Update, Gantry Cranes, Service Life Extension (SLE) Loan and the Owner's Agent Engineer (OAE) Professional Services.

Public Hearing on Port of Guam Master Plan Update

A Public Hearing was held by the Bureau of Statistics & Plans on Monday, December 23, 2013 at the Port Authority Training Room for the Port of Guam Master Plan Update 2013 report. The public comment period deadline was on Friday, January 10, 2014. BSP is tasked with compiling all public comments and forward it recommendations to the Governor for his review and approval prior to forwarding the Plan to the Guam Legislature. The Port compiled the minutes taken during the hearing and forwarded the information to the BSP Director on Friday, December 27, 2013.

Public Hearings for the Port's PUC Interim Rate Petition

The following dates were scheduled for the Public Hearings for the PAG Docket 13-01 for Interim Rate Petition that were held on Wednesday, January 22, 2014 at 5:00 p.m., Asan Community Center; Wednesday, January, 22, 2014 at 7:00 p.m., Dededo Senior Citizens Center; and Thursday, January 23, 2014 at 6:00 p.m. at Suite 202, GCIC Building, Hagatna.

The public hearings were scheduled in preparation for the Thursday, January 30, 2014 PUC hearing for the Port's Interim Rate Petition. The following Port items were included in the agenda: 1) PAG Docket 13-01, Interim Rate Petition, Slater Nakamura's Report, ALJ Report and Proposed Order; 2) PAG Docket 14-01 Review of SLE Loan with the Bank of Guam, ALJ

Report and Proposed Order; and 3)PAG Docket 14-02, Review of PAG's Legal Services Contract, ALJ Report and Proposed Order.

Navy Approval on Port's Master Plan Update

On Tuesday, January 21, 2014, the Port received a letter from Rear Admiral T.D. Payne providing the Navy's response on the Port's Master Plan Update. The GM had sent a letter to the Rear Admiral on November 21, 2013, providing a copy of the Master Plan Update and the Port Board of Directors Resolution 2013-16.

Rear Admiral Payne relayed that the Master Plan update must be approved by the Secretary of the Navy, or his designee under Quitclaim Deed N62742-93-RP-00079. As the Secretary's designee, he has reviewed the Master Plan Update and has determined that "it is consistent with the Quitclaim Deed, and that the U.S. Navy has no objections to its adoption."

Rear Admiral Payne stated that Commander Joseph W. Yates, Assistant Regional Engineer would be his point of contact on this matter.

On Wednesday, January 22, 2014, the GM provided a response on behalf of the Port that her office will continue to coordinate with the Navy and the Rear Admiral's point of contact CDR Yates on the status of the Master Plan as it progresses through the Government of Guam approval process.

Reports to the Public Utilities Commission

On Thursday, December 26, 2013, the GM informed the Chairman of the PUC, Dr. Jeffery Johnson that the Port acknowledged the Sunday, December 15, 2013 deadline to provide the PUC with an updated Progress Report on the Critical Repairs for the POLA cranes. The GM relayed that the Port was still in the process of compiling the information and would have the report to the PUC by Tuesday, December 31, 2013.

A copy of the updated Progress Report was provided to the PUC on Tuesday, December 31, 2013.

Also on Tuesday, December 31, 2013, the GM provided the PUC with a report on the Annual Revenues & Expense for the Gantry Cranes as required by Docket 12-02 dated December 11, 2012, under Ordering Provision 7.

On Thursday, January 30, 2014 PUC held a special business meeting that included the Port's Interim Rate Petition, SLE Loan with the Bank of Guam and the Port's Legal Services Contract on the agenda. The GM, Deputy GM for Administration and Finance, Deputy GM for

Operations, Port's Legal Counsels and Division Management staff were in attendance at this meeting.

Interim Rate Petition

The PUC authorized the Port's Interim Rate Petition at this meeting. In addition, the PUC requested that the Port file move forward and "seek approval of its Five Year Rate Plan as soon as possible; and which should include reasonable cargo and revenue projections, reasonable expenses projects, and sufficient proposed tariff increases to cover operating expenses and capital needs . . ." The Port is required to file this plan no later than May 15, 2014. The Port must also provide the PUC with a report detailing the impact of "loss transshipment revenue, which should also include a plan for the replacement of such revenue or reduction PAG's expenses, by June 1, 2014. The PUC initially included in its written order prior to the meeting that the Port should provide a revised interim tariff petition no later than March 31, 2014, as the Commission was of the position that the Port's request for a 5.65% increase was not adequate to address the intended expenses of the Port. During the meeting however, Commission Members determined that this request should be rolled into the Port's Five Year Rate Plan.

Service Life Extension Loan with the Bank of Guam

As for the Service Life Extension loan (SLE) Loan with the Bank of Guam, the Administrative Law Judge (ALJ) recommended that the PUC authorize the terms and conditions of the \$10 million Bank of Guam commercial loan. The term of the loan is for a period of ten (10) years with an estimated principal and interest payments at \$100,000 per month.

During the PUC meeting, the remaining legislation had yet to be adopted by the legislature to address remaining issues raised by the Bank of Guam on the issue of sovereign immunity. The PUC requested that PUC approval be conditioned on the Port's submission of the adopted legislation as "a prerequisite for approval of the Bank of Guam loan."

Since this meeting, Bill No. 252-32 was adopted by the Guam Legislature and signed into Public Law 32-107 on Tuesday, February 4, 2014 by the Governor. The Port transmitted the documents to ALJ Joephet Alcantara on Friday, February 7, 2014 and filed the Certification with the PUC on Thursday, February 13, 2014 to address this remaining requirement.

PUC Review of Port's Legal Services Contract

The PUC determined after reviewing the Port's legal services contract with the Law Offices of Phillips & Bordallo, P.C. that the contract be approved and ratified. The ALJ "ultimately found that the subject contract for legal services, with its costs, terms and conditions, are reasonable, prudent and necessary in order for PAG to successfully operate' and recommended "that the

approve and ratify the existing Professional services Agreement between PAG and the Law Offices of Phillips & Bordallo, P.C.

The PUC approved the Port's legal contract and requested that if the two parties determined to renew the legal contract for another term that the Port was ordered to file a cost estimate for the final term of the contract by March 1, 2014.

Interim PAG Docket 13-01 Interim Tariff Rate Petition

On Friday, January 31, 2014, the Port provided a memorandum notice to all Shipping Agents and Port Users that the PUC had approved the Port Authority's interim tariff rates request. The Interim Tariff rates were increased to 5.65% to exclude Crane Recovery Charge (CRC), Fuel Storage, and Throughput and Bunkering Fees. In line with the request from the Port Users Group, the tariffs, rate charges and fees shall take effect on Sunday, March 2, 2014, providing a thirty-two (32) day window for Shipping Agents and Port Users to notify their customers of the new rate requirement. Information concerning the PUC Order on Port Docket 13-01 is available on the Port's website at www.portguam.com.

Additional Legislation to Address Sovereign Immunity for Port Loan

On Tuesday, December 31, 2013, the Port received notice from GEDA's Public Finance Division Manger Lester Carlson that the Bank of Guam was requesting additional language in relation to sovereign immunity to provide for attorney's fees and cost if legal action is taken against the government.

Deputy Attorney General for the Civil Division J. Patrick Mason issued a letter on Tuesday December 24, 2013 to the Counsel for the Bank of Guam Mark Cowan that ". . . the Office of the Attorney General will take the position that attorney's fees and costs against the government for enforcement are not recoverable absent an express waiver of sovereign immunity. Any opinion letter that the Attorney General may be required to issue for the three pending loans will contain this proviso."

The Port loan for the Service Life Extension is one of the three pending loans. The other two loans are with the Guam Memorial Hospital and the loan for the renovation of the old Legislative Building. According to Mr. Carlson, additional legislation will be required to provide the Bank of Guam "comfort" to close on these loans.

Senator Dennis Rodriguez introduced Bill No.252-32 to address the concern raised by the Bank of Guam as a result of the opinion by the Attorney General.

The language in the law under Section 1§10238 were amended as follows:

For the Purposes of this Article only immunity is also waived as to the award of attorney fees and related costs in connection with any suit brought to enforce any right or obligation given under this Article, or in connection with the enforcement of the terms of any agreement of indenture that arises directly from the issues of bonds or indebtedness authorized by this Article.”

The Governor signed Bill No. 252-32 into Public Law 32-107 on Tuesday, February 11, 2014.

Port Compensation Plan

A Request for Proposal No. RFP-PAG-014-001 for Professional Services for the Maintenance of the Port's Compensation and Classification Plan was issued on Friday, January 3, 2014 to solicit “Proposals from a qualified firm or professional individuals or companies to provide professional/technical services for the maintenance of PAG employee's Compensation and Classification plan. The deadline for the request was Monday, January 13, 2014.

According to the Deputy GM for Administration and Finance the Procurement Division there was one respondent that submitted to the Port's bid solicitation.

A copy of all relevant information for this procurement has been included in the Board Member's folder. The Port is requesting the Board's concurrence on this procurement.

Port Mid-Year Budget

According to the Deputy GM for Administration and Finance, the Finance Division will begin discussions with the Port divisions by the end of February. The Finance Division is in the process of completing the January 2014 financials to provide the most updated figures to date. The Deputy GM anticipates a preliminary draft budget to be prepared no later than the second week of March to be provided to the Port Board for consideration during its March 2014 meeting.

Port Hazards Specific Annexes

According to Planner IV Joe Javellana from the Port's Planning Division, the Port currently has a Basic Plan for the Port Hazard Emergency Response Plan (PAGHERP). This Plan serves as a guide to the Port's preparedness, response, and recovery efforts to potential man-made and natural incidents. In addition to the Basic Plan, there are several specific Hazard Annexes that are part of the PAGAHERP. Outlined in the Basic Plan, they are:

- Active Shooter – 50% complete
- **Bomb Threat – 100% complete**
- Civil Disturbance – 30% complete
- Earthquake – 50% complete
- Evacuation – 10%% complete
- Fire – not complete
- HAZMAT/CBRNE – 50% complete
- **Terrorist/Military Attack – 100% complete**
- Tsunami – not completed
- **Typhoon – 100% complete**

The Port Planning Division's goal was to complete all Annexes by December 31, 2013. However, there is still additional work that has yet to be completed. The new completion date is scheduled for the end of the 1st quarter of FY2014.

Hotel Wharf

On Tuesday, February 11, 2014, the Port received the 100% design for the repair and renovation of Hotel Wharf. Port management was provided a briefing on the design contents by PB Project Manager Jeff Peck on the same day. According to the Harbor Master the appropriate divisions were provided copies of the plan to review and determine possible funding sources. The Port plans to apply for a TIGER grant this upcoming year to fund the cost for the repair of Hotel Wharf. A key provision of the TIGER grant is for a project to be "shovel ready." With the design work completed and packaged, Hotel Wharf now falls under this category.

Meeting with Tristar on Pipeline Repairs

On Friday, December 27, 2013, a meeting was held with TriStar and Port management to discuss the repairs to the Tristar fuel line. Present at the meeting were the GM, Deputy GM for Finance and Administration (Acting GM for Operations), Engineer Manager Simeon Delos Santos, Operations Manager and Rodel. Present on behalf of TriStar was Tristar General Manager KK Vikraman.

Mr. Vikraman began the meeting by relaying that Tristar is in the processing of awarding the line repair project to a contractor and has provide the company 14 days to acquire a bond. The estimated cost of the project is around \$4 million. Mr. Vikraman relayed that it is anticipated that the construction time for the projects will require about a year to complete. There are a total of 120 hits that will need to be repaired covering the entire length of the facility from the Port to Tristars storage tank facilities in Agat. There are five (5) locations in particular that fall within the boundaries of the Port yard.

The Tristar fuel lines are approximately forty (40) years old. Originally there were four (4) pipelines constructed to carry gasoline, diesel and jet fuel. In 2007, one of the pipes was taken off-line as the cost for repairs were beyond its economic value. Mr. Vikraman stated that Tristar intends to have its contractor use carbon fiber wraps to encase the five (5) hit locations that need to be strengthened. He also stated that Tristar will prioritize and coordinate the repairs to the areas located in the Port Yard the around ongoing Port modernization construction and daily cargo movement operations.

Meeting with Matson

On Thursday, December 19, 2013, the GM met with Matson's GM and Victor Angoco. The focus of the visit was to discuss the ongoing maintenance of the cranes and the improvement of communication and coordination between Matson's contractor and the appropriate Port Maintenance staff. The GM responded that the Port Board had approved earlier in December the reimbursement back to Matson its claim for additional work performed on Gantry 3 beyond the approved budget allocation for FY 2013. Moving forward the Port would continue to work with Matson until the new contractor was brought on board by the Port to maintain the Port's cranes.

Also discussed was the visit in January of Board Vice Chairperson Baletto and the GM to tour Matson's operations in Hawaii. The tour and briefing is scheduled for Tuesday, January 14, 2014.

Meeting with Mobil

On Thursday, December 19, 2013, the GM met with Mobil Country Manager Jaime Ortega and the newly appointed Country Manager Charles Ewert. Mr. Ortega wanted to provide an introduction of Mr. Ewert to Port management as his assignment on Guam after two and a half years was to end in January of 2014.

The GM welcomed Mr. Ewert and relayed to Mr. Ortega that she appreciated the opportunity during her past year at the Port to work with him. She relayed that his assistance with the construction of the Cementon pipeline at Golf Pier was most appreciated and allowed the project to move forward in coordination with the Port, U.S. Coast Guard and Cementon. Other projects that the Port has been working with Mr. Ortega include the mobilized values and the upcoming construction for the new Mobil fuel line with the Port and FHWA.

PUGG Meetings for December and January

The December meeting with the PUGG was held on Thursday, December 19, 2013. Attending on behalf of the Port was the GM, Deputy GM for Operations, Deputy GM for Administration and Finance, and Division Managers for Operations, Planning, Commercial and Maintenance. Attending on behalf of the PUGG were Matson's Representative Tom Dillon, MSA Representative Byron Valera, Marinas Express Lines (MELL) Representative Ed Cruz, Seabridge Representative Ricardo Leon Guerrero and Inchape Representative Jason Blas.

Operations Manager John Santos provided the group with an update of continued construction to include the demolition of Warehouse II to include the Port scale and gas station, the repair status of the bollard at F-6, yard stripping, waterline replacement repairs and the ongoing renovations to the CFS building.

The GM inquired if the group desired to have a field tour of the yard to provide greater familiarization of the ongoing construction and impacts on cargo movement. The group agreed it would be beneficial to have a field tour and briefing in the Yard and agreed to a January tour.

In the absence of the GM, the Deputy GM for Operations conducted the PUGG meeting that was held on Thursday, January 16, 2014. Also attending the meeting on behalf of the Port was Deputy GM for Administration and Finance and the Port Division Managers for Operations, Planning and Maintenance. Present from the PUGG membership were the following: Matson's Representative Tom Dillon, MSA Representative Byron Valera, MELL Representative Ed Cruz, and Seabridge Representative Ricardo Leon Guerrero.

The Deputy GM for Operations relayed that Operations Manager John Santos provided updates on the Guam Capital Improvement Projects (GCIP) and provided a reminder to the PUGG that an Interim Tariff may be put in effect in March pending PUC approval. Mr. Santos also informed the PUGG that other Port projects will be taking place in the yard and other water front areas and may cause delay to productivity during vessel operations. No concerns were raised by the PUGG members

On Wednesday, January 22, 2014, the Port hosted the PUGG on a tour and briefing of the current Modernization and other construction projects at the Port. Attending the tour on behalf of the Port was the GM, Deputy GM for Operations, Operations Manager, and Engineer Manager. Attending on behalf of the PUGG were Seabridge Representative Fernando Santos, Matson Representative Bernie Valencia, Matson Representative Paul Blas, and MELL Representative Ed Cruz.

The group agreed to a quarterly tour of the Yard to be updated on the continued construction projects and subsequent impacts to Yard operations that affect the movement and storage of cargo.

Recruitment for Cargo Checker Positions

On Monday, February 3, 2014, the GM received a request for the Terminal Superintendent Jose Ulloa requesting that three recently vacated positions for two (2) Cargo Checkers and one (1) Cargo Checker Supervisor be announced and filled. The GM approved the request as allowed by the Board to address budgeted positions that are vacated during the fiscal year.

Follow-up request to GSA on the Survey of Gantry 2 and the RTGs

On Thursday, January 2, 2014, the GM sent a follow-up request to Chief Procurement Officer Claudia Acfalle inquiring on the status of the removal of the Rubber Tire Gantry (RTG), Gantry 2, the barge at F-6 and other miscellaneous yard equipment. A previous letter was sent on Monday, December 16, 2013.

With the anticipated construction this year for the expanded yard, the removal of the two RTG's is necessary as the surveyed equipment is located on the construction footprint.

NTP for A&E Design Consulting Services

On Thursday, January 2, 2014, a Notice to Proceed (NTP) was provided to AmOrient Engineering under RFP No. PAG-013-002. The tasks assigned are to address the renovations of the CFS Building, High Tower and Lower Tower Buildings. The company has four (4) months to complete the assigned projects. The Port has requested that the work for the CFS building be prioritized to address the roof and spalling repairs.

Holiday Calendar for 2014

On Thursday, January 2, 2014, the Port issued a memorandum to providing a list of all holidays to be observed by the Government of Guam for 2014 to all Shipping Agents and Port Tenants.

The following dates were listed:

Day	Date	Holiday
Monday	January 20	Martin Luther King Day
Monday	May 26	Memorial Day
Friday	July 4	Independence Day
Monday	July 21	Liberation Day
Monday	September 1	Labor Day
Monday	November 3	All Soul's Day
Tuesday	November 11	Veteran's Day
Thursday	November 27	Thanksgiving Day
Monday	December 8	Our Lady of Camarin Day
Thursday	December 25	Christmas Day
Thursday	January 1, 2015	New Year's Day

Also, the Christmas and New Year's Day are the two days that the Port has no vessel operations. The schedule for Christmas Day is from 1900 on December 24, 2014 to 0700 on December 26, 2014. The schedule for New Year's Day is from 1900 on December 31, 2014 to 1200 on January 1, 2015.

Legislative Confirmation for New Port Board Member

On Tuesday, February 4, 2014, the Port received notice from the Guam Legislature that Mr. Timothy Kernaghan had been confirmed on Tuesday, January 28, 2014 to serve as a member of the Port Board of Directors. Mr. Kernaghan's term date commenced with his confirmation and will extend up until June 30, 2016. Mr. Kernaghan replaces the seat vacated by outgoing Board Chairman Daniel Tydingco.

On Monday, February 10, 2014, Governor Calvo swore-in Mr. Kernaghan as a member of the Port Board. Attending his ceremony were Board Chairman Frank Santos, Vice Chairperson Christine Baleto, Secretary Shelly Gibson, GM Brown, Deputy GM for Finance and Administration, and Port Harbor Master.

On Wednesday, February 12, 2014 Board Member Kernaghan met with the GM to address compliance with the "Responsible Boards and Commission Education Act." The GM forwarded notification to Governor Calvo on the same day that Board Member Kernaghan that met the Educational Program requirements.

Executive Order for the Guam Criminal Justice Strike Force

On Tuesday, January 21, 2014, the Port received Executive Order No. 2014-02, signed on by the Governor on Saturday, January 18, 2014, "Relative to Protecting the Guamanian community From Violence and Crime; and Preventing a Further Increase in Criminal Activity by Reinforcing Guam's Public Safety Mission Through the Establishment of the Guam Criminal Justice Strike Force."

The Port Authority Police Force has been designated to serve as a member of the Strike Force along with the Guam Police Department, the Guam Airport Police, the Law Enforcement Division of the Department of Agriculture, the Guam Customs and Quarantine Agency, the Department of Corrections, the Department of Youth Affairs, the Mariana Regional Fusion Center and the Department of Homeland Security.

Each participating agency, to include the Port is required to commit qualified personnel by temporary assignment to the Chief of the Guam Police Department for the purpose of staffing the Strike Force.

Partial turnover of Selected Demolition & Breakbulk Yard Modification Project

On Wednesday, January 22, 2014, the GM received notification from EA Construction Manager Zenon Belanger informing the Port that the Selected Demolition & Breakbulk Modification Project has been completed that includes the following:

- 1) PCC Restored Slab Adjacent to Warehouse No. 1
- 2) PCC Restord Weighing Scale Platform
- 3) PCC Restored Old Bone Yard Ramp and Walls
- 4) PCC Restored Ramp at OWS Vehicle Wash Down Area

Mr. Belanger relayed that these areas have been returned back to the Port and can be utilized for Port operations.

Status of TOS Procurement

On Tuesday, January 28, 2014, the Port provided notice to G4S Security Systems Guam Inc. President Christopher Garde that the Port has issued an Acceptance of Fees for the Implementation and Integration Services for the Terminal Operating System (TOS). The contract will be administered by Task Order(s) as outlined in the RFP.

Claims for Damage to Dock-sides F-3, F-6

The GM forwarded letters of notification to three companies for damage claims to the Port's wharfs for the following: Ambyth Shipping for damages to F-3 Dock that occurred on October 11, 2013 from the GB Atlantic Vessel; Consolidated Transportation Services for damages to F-6 Dock that occurred on October 14, 2013 from the Mell Stanford Vessel, and; Marianas Steamship for damages to F-5 Dock that occurred on October 12, 2013 from the S-2007 Vessel.

The companies were notified that the Port is working on repair estimates and will provide further notice once the estimates are determined.

Meeting with GVB on February 2014 Arrival of the Crystal Serenity Cruise Ship

On Monday, December 30, 2013, the GM met with GVB General Manager Karl Pangelinan to discuss the February 3, 2014 arrival of the Crystal Serenity Cruise Ship. Mr. Pangelinan wanted to coordinate with the Port on addressing the ground work, logistics and responsibilities of the respective parties to insure the smooth arrival and departure of the cruise vessel and its passengers. Also attending the meeting was the Deputy GM for Finance and Administration (Acting Deputy GM for Operations), GVB Tourism Industry Relations Officer Meriza Peredo, Port Police Chief Doris Aguero, Acting Harbor Master Charlene Yatar, Program Coordinator II Perry Perez and Administrative Assistant Jess Aguigui.

According to Mr. Pangelinan, The Crystal Serenity Cruise Ship is viewed as the "Cadillac" of cruise ships in the industry. He wanted to make every effort to insure that the visit of the cruise visitors to Guam would be a memorable one. The cruise ship originated out of Los Angeles on Saturday, January 18, 2014 and would travel through Hilo Hawaii and then on to Guam, Saipan and Okinawa and end its voyage in Yokohama Japan on Monday, February 10, 2014. The length of the cruise is for twenty-two (22) days and is marketed as a "Pacific Ocean Odyssey." The initial fair cost per passenger is \$8,110.00

The GM committed to working with GVB to coordinate with the required logistics for the arrival and departure of the cruise ship. The Acting Harbor Master also informed Mr. Pangelinan that

pre-arrival meeting will be scheduled with the Coast Guard, Agents, Port Police and respective Port staff in preparation for the ships arrival. GVB was extended an invitation to attend and participate at the pre-arrival meetings. Other issues related to the layout of barricades, use of the canine units, security requirements and the request of the vessel management for the use of x-ray machine were also discussed.

Port Management, led by Operations Manager John Santos also provide a tour of the possible wharf space location for the cruise ship and area for GVB to set up tents for processing and an area for cultural performance to provide music and dance presentation. Mr. Pangelinan and Ms. Peredo were also provided a tour of Hotel Wharf and the high interest of the Port in pursuing resources to address much needed repairs so that facility can be used to receive future cruise ship vessels. Once Hotel Wharf is operational, visitors from cruise ships would have to go through an active industrial area in the main yard and will have a much shorter distance to travel to board taxis and tour buses.

The Cristal Serenity Cruise arrived at the Port on the morning of Monday, February 3, 2014 and departed that evening. Port operations were in place to accommodate the visit.

Homeland Security Executive Senior Leadership Seminar

On Tuesday, February 11, 2014, the GM and Port Harbor Master attended the Center for Homeland Defense and Security Pacific Executive Leaders Program: Guam Senior Leadership Seminar. The purpose of the seminar was to expand knowledge and awareness of senior management of issues related to a catastrophic typhoon. As it has been over twelve years since the last major typhoon, the seminar was intended to engage executive level discussion to recognize areas for needed improvements and build on previous successes in emergency response.

The GM provided input with regards to the priority actions that would be undertaken at the Port to secure for a typhoon and what actions would be taken after the storm to recover and get the Port operational. The training provided an opportunity to also interface with other key Government of Guam directors and private sector management in collective efforts to address emergency response.

National Association of Women in Construction Presentation

On Tuesday, February 11, 2014, the GM provided a presentation on the current status of construction projects and other upgrades at the Port to the National Association of Women in Construction at the Marriott Hotel. The GM had been invited by President Bing Mejia.

Accompanying the GM and assisting with the slide presentation was Administrative Service Officer Margret Duenas.

The GM extended an invitation to the membership to visit the Port and have a firsthand introduction to all the current construction and modernization projects that are underway at the Port.

USDA's Updated Non-Discrimination Statement Compliance

On Monday, February 3, 2014, the Port received a letter from USDA Community Programs Specialist Bernadette Balajadia providing notice that an updated Non-Discrimination Statement for the U.S. Department of Agriculture (USDA) "must be posted on memoranda, correspondences and all forms of public information such as pamphlets, brochures, newsletters, letterheads, internet, news releases, advertisements, and outreach letters."

The Port, as a recipient of federal financial assistance is required to comply with this notice. The Port will forward the notice to its employees and post notices of the USDA Nondiscrimination Statement at the Port facilities and on its website. The following statement will be added to Port letterhead, "This institution is an equal opportunity provider and employer."

Ribbon-Cutting Ceremony for the Container Freight Station (CFS)

The Port will be hosting Ribbon-Cutting Ceremony for the Container Freight Station (CFS) on Tuesday, February 18, 2014 at 10:30 a.m. This event will complete the first phase of the Guam Commercial Improvement (GCPI) Program. The cost of this project was \$899,000 and was contracted to Pro-Pacific Builders in coordination with the U.S. Maritime Administration (MARAD).

The original CFS built back in 1968 as a Maintenance and Repair Shop and has since been renovated to include a 7,200 sq. ft. office, installation of roll-up doors, secure cargo storage area and the closure of previous doorways with glass block windows.

Governor Calvo has been invited to be a key note speaker for the event as well as the Executive Director for MATAD Joel Szabat.

XTERRA Guam Championship Race

On Tuesday, December 17, 2013, the Port received notice from XTERRA Guam Champion Event Director Eric Tydingco concerning the upcoming XTERRA Championship event that is scheduled for Saturday March 29, 2014. This event will mark the 10th Anniversary of the triathlon championship. In past years the Port has served as one of the sponsors of this event in

providing the use of Port Beach as an event site for the beginning and after race activities. The Port's participation has been non-monetary in nature.

In 2012 the XTERRA organization along with DCK sponsored the restoration and repair of the Port Authority Beach Pavilion for the benefit of the Port and the community.

The GM has provided a favorable response for the Port's continued support for this upcoming March event.

Agana and Agat Marinas

Boat Capsizing Incidents and two Fatalities at the Agana Boat Basin

On Thursday, January 9, 2014, the Port issued a Press Release to the public urging all residents to observe and comply with all High Surf and Small Craft Advisories issued by the National Weather Service (NWS). The Port is advised boat operators, fishermen, and swimmers to be cognizant of NWS daily published advisories and warnings and to refrain from navigating the Marina until after the advisories have been cancelled.

Earlier that morning a small boat capsized at the entrance to the Marina that had two residents from Rota on board. Unfortunately, one of the occupants died after being transported to Naval Hospital as a result of the capsizing incident.

On Wednesday January 8, 2014, the NWS had issued a High Surf Advisory that remained in effect until 6:00 pm January 9, 2014. Subsequently on the morning January 9, 2014, the NWS issued a Small Craft Advisory that remained in effect throughout the day.

On Friday, December 20, 2013, another boater passed away after the boat that he was in with two other occupants capsized near the Marina. In this case, the NWS had issued a High Surf Advisory since Tuesday, December 17, 2013 that remained in effect until Wednesday December 25, 2013.

In a third incident that occurred on Sunday, December 22, 2013, a boat entering the Marina with engine trouble encountered rough waves and capsized with 3 people on board. Fortunately, there were no injuries in this incident. This incident again occurred while a High Surf Warning was in effect.

In addition to the News Release, the Deputy GM for Operations had coordinated a meeting Thursday, January 30, 2014 with the GVB, NOAA, U.S. Coast Guard, Guam Police Department and the Port Authority to conduct a public outreach on boating safety.

Incident at the Agat Marina

On Friday, December 13, 2013, the Port received a letter from Mr. Jose T. San Nicolas that claimed he had suffered an injury at the Agat Marina at C Gate, Slip #16 on October 26, 2014.

According to Mr. San Nicolas, he was informed by the Port's Commercial Division on October 25, 2013 to relocate his boat to Gate B from Gate D that had been demolished during a recent storm. He claimed that on the following day, October 26, 2014, he had stepped on a triangle support on Slip #16 to untie the ropes attached to his vessel. It was during this process according to Mr. San Nicolas that the platform gave way and that he had fallen and hit the sides of the triangle.

On Thursday, January 2, 2014, the GM, Deputy GM for Operations and Legal Counsel met with Mr. San Nicolas to review his claim. He was informed to submit the required claim documents for the Port to further evaluate his claim.

Army Corps Response on Agat Marina Breakwater and Erosion Request

On Monday February 3, 2014, the Port received a letter from the Deputy District Engineer for Programs and Project Management Anthony J. Paresa, P.E. providing notice that the U.S. Army Corps of Engineers had received a November 22, 2013 letter from the Port GM requesting assistance from the Army Corps with regards to the breakwater modification and shoreline erosion issues at the Agat Small Boat Marina. Mr. Paresa relayed that the Army Corps would submit "a request for a new-start reconnaissance study and notify the Port when funds becomes available." Project Manager for the Civil and Public Works Branch Milton Yoshimoto from has been designated as a point of contact for this project.

Army Corps Planning and Assistance Program

On Thursday, February 6, 2014, the GM sent a letter of request to Army Corps of Engineers District Engineer Lieutenant Colonel Thomas Asbery for planning assistance with the breakwater modification and adjacent shoreline erosion at the Agat Marina. The GM relayed that the Port wants to begin the discussions on the development of the scope of work and study cost sharing agreement to initiate a Section 22 study. The GM also relayed that Chief Planner Dot Harris will be coordinating this effort with Civil and Public Works Branch Project Manager Milton Yoshimoto.

Federal Engagements and Partnerships

Meetings in Washington DC

The Port GM traveled to Washington D.C. with Board Vice Chairperson Christine Baleto to attend scheduled meetings with the Secretary of Transportation Anthony Foxx, MARAD Administration Officials, Congresswoman Bordallo and Representatives for the Ports Caucus.

On Tuesday, December 10, 2013, Board Vice Chairperson and the GM had scheduled meetings with MARAD's Brian Varney, Port's Caucus representative Chris Massey and Guam Governor Eddie Calvo. Unfortunately, due to inclement weather, the Federal Government was shut down for the day. The GM coordinated with Brian Varney to re-schedule the meeting for Tuesday in coordination with other planned meetings with MARAD officials. The Vice Chairperson and the GM were able to attend the meeting with Governor Calvo to provide him an update on Port activities in preparation for the meeting with Secretary Foxx the following morning.

U.S. Secretary of Transportation Anthony Foxx

On Wednesday, December 11, 2013, Vice Chairperson Baleto and the GM initially met with Mr. Varney who provided a tour of the facilities and operations at the Department of Transportation. The meeting with Secretary Foxx was scheduled for 9:15 a.m. Present on behalf of the Guam delegation were Governor Calvo, Vice-Chairperson Baleto, Port GM, and Washington Office of the Governor Director Jay Rojas. Present on behalf of the Department of Transportation were the Secretary of Transportation Anthony Foxx, Deputy Maritime Administrator Paul "Chip" Jaenichen, Captain US Coast Guard/Senior Maritime Safety and Security Advisor to the Secretary David Murk, Deputy Assistant Secretary for Governmental Affairs Joanna Turner, and Associate Administrator for Intermodal Systems Development H. Keith Lesnick.

After appropriate introductions, Governor Calvo relayed to the Secretary that he is pleased with the progress and partnership with MARAD in addressing the Guam Port Modernization projects. He stated that current projects underway at the Port are within budget and within the desired timelines. He added that the collaborative relationship between the Guam Port and MARAD has contributed to the successful delivery of projects thus far, and that while there was an initial rough start, this is not the case today.

The Secretary responded that he appreciated the continued working partnership between the Governor, the Port and MARAD. He stated that this was important component to insuring the successful completion of the modernization projects intended to assist and strengthen the capacity at the Guam Port. The GM informed the Secretary that the Guam Port has also contributed its own investments and discussed the purchase of the POLA cranes for \$12 million

in December of 2012, including current initiatives through the PUC to address revenue to fund a \$10 million loan to address the Service Life Extension projects.

The Governor went on to discuss the proposed military build-up and initial fears that the Port of Guam would be a "choke point" for cargo coming into the island. He informed the Secretary that the \$50 million DOD investment that is being administered by MARAD has been a significant investment and will add an additional 25% to 30% to Port capacity. He also relayed that Guam is prepared to continue to work with DOD and DOT in the event that additional expansion is needed to accommodate military growth on the island.

The Governor extended an invitation to Secretary Foxx to visit the island and see first-hand the Port projects that are being constructed in coordination with MARAD and added that the planned completion date is scheduled for July of 2015.

The Secretary responded favorably that he would appreciate the opportunity, as did his predecessor Secretary La Hood, to visit Guam. He thanked Governor Calvo, Vice Chairperson Baleto and the GM for visiting with him and providing him with a favorable report on the administration of MARAD with regards to the Port modernization projects. He looked forward to continuing to work with the Governor and the Port to address improvements to transportation services on Guam.

MARAD Administration

After the meeting with Secretary Foxx concluded, The Board Vice Chairperson and GM met with MARAD Administration officials to discuss the ongoing construction projects at the Port. Present on behalf of MARAD were Acting Maritime Administrator Paul "Chip" Jaenichen, Executive Director Maritime Administration Joel Szabat, Associated Administrator of Intermodal System Development H. Keith Lesnick and Maritime Administration Representative Brian Varney.

Administrator Jaenichen facilitated the meeting and provided background of his years of living on Guam during his tours of duty with the U.S. Navy. He was familiar with the military and Port operations in Apra Harbor and looked forward to working with the Port of Guam during his new tenure. He relayed that he understood the strategic importance of Guam and the valuable services provided by the civilian Port. He noted that he recently completed the confirmation hearing for his appointment and was anticipating formal confirmation in the near future.

Vice Chairperson Baleto informed the group that the Port Board was pleased with the progress and current working relationship with MARAD. She understood prior to her term that there were initial startup issues, however, the coordination structure between the TDT, POT and the

Port has been significant to insuring project deliverables within desired timelines and well within the budgeted funds. Administrator Jaenichen responded that he appreciated the favorable assessment by Vice Chairperson Baleto and stated that MARAD has come to the conclusion that the administrative structure and collaboration on Guam has set a standard of success that MARAD would like to see emulated in other jurisdictions in the U.S. He went on to discuss the challenges experienced with Alaska that cost over \$400 million and added that the Guam projects have provided a balance framework for the administration of MARAD working in direct partnership with the Port.

The GM also relayed to the MARAD representatives that the Port has initiated the design work for Hotel Wharf to address the much needed repairs to bring the wharf back to operational status. The Port intends to apply for a TIGER grant and is preparing the project to be "shovel ready." The GM discussed the additional capacity of wharf space that will be added to the Port's inventory, including the ability of Hotel Wharf to support additional vessels that do not require the Port's cranes to unload cargo to include RORO vessels. Hotel Wharf can also be used for cruise ship docking and can provide a more welcoming introduction to cruise visitors than the current industrial facility provided in the main Port yard. The GM added that an operational Hotel Wharf will free up space in the main yard for commercial vessels in addition to providing wharf space to the military if and when needed without impacting commercial operations. The MARAD officials took note of this information and request from the Guam Port. Administrator Jaenichen informed Vice Chairperson Baleto and the GM that he should be visiting Guam during the first quarter of the year. The GM responded that she will provide him with a tour and briefing on the Port with particular focus on the Hotel Wharf facility.

Congresswoman Madeline Bordallo

Vice Chairperson Baleto and the GM also met with Congresswoman Bordallo on Wednesday, December 11, 2013 to provide her an update on current Port projects and also relay the Port's interest in pursuing a TIGER Grant for Hotel Wharf. Present at the meeting with the Congresswoman were her Legislative Director Matthew Herrmann and Chief of Staff John Whitt.

The GM provided a summarized presentation of the current Port modernization projects including the demolition of Warehouse 2 and the anticipated completion of the CFS Building by February of 2014. Vice Chairperson Baleto relayed that the current DOD/MARAD funded projects were being constructed within budget with the anticipated timeframe for completion by July of 2015. She also informed the Congresswoman of the discussions with the Transportation Secretary and MARAD.

Mr. Herrmann relayed that he would continue to coordinate with the Port on matters related to the Congressional Ports Caucus. Due to inclement weather on Tuesday, the Vice Chairperson and GM were unable to meet with Mr. Herrmann and Ports Caucus Foundation Representative Chris Massey.

Congresswoman Bordallo offered her continued support to the Port and the assistance of her staff to help facilitate Port matters in Washington. The GM responded that the Port would provide her office with a quarterly update of Port projects.

Regional Engagements and Partnerships

Port Presentation Update to the Micronesian Chiefs during the 19th MCES

On December 5, 2013, the GM provided a presentation to the Micronesian Chiefs on the status of the Port's Modernization and overall projects. The following topics were presented: Route 11 Improvements and Traffic Enforcement Screening Station, CMU Construction and Replacement of Heavy-Duty Chain Link Perimeter Fencing, Status of Crane Performance Contract, Guam Commercial Improvement Program Phase I CFS Building, Phase II Demolition of Warehouse II and Expansion of The Break Bulk Yard Modifications, Phase III PAG Facility Expansion, Port Commercial Center and Security Enhancement Projects, Hotel Wharf Revitalizations, Marine Service Life Extension, Implementation and Integration for the Terminal Operating System Phase II renovations to the Gregorio D. Perez Marina in Hagatna, Agat Small Board Marina to include the Dock A improvements, Agat Small Boat Marina Fish Hook Project, Harbor of Refuge, CIP Facility Upgrade for High Tower, Low Tower and the Container Yard Striping, and the Port Security Grant Enhancements, 2013 FEMA Mitigation Projects

The GM is a member of the MCES Transportation Committee. The Committee provided report presentations for both CMMI and Guam at the 19th MCES.

The GM also met with the Commonwealth Ports Authority Executive Director MaryAnn Quitugua Lizama who provided her a briefing and tour the Saipan Port facilities during her visit.

Association of Pacific Ports 2014 Winter Conference

The GM along with Board Member Christine Baleto attended the Association of Pacific Ports 2014 Winter Conference that was held in Kauai, Hawaii from January 16-17, 2014. The GM was an invited guest speaker and provided a presentation of the status of the Guam Port Modernization and other construction projects.

In addition, the GM and Board Member Baleto also met with Matson officials in Hawaii and were provided a tour of the Oahu operations and Port yard. The GM and Board Member Baleto also toured and received an informational briefing from Hawaii Department of Transportation (DOT) officials on the operations of the Hawaii DOT Weigh Scale Station at Sand Island. These visits occurred on Oahu, Hawaii from January 14-15, 2014,

Copies of the GM's and Board Member Baleto's detailed travel reports have been filed with the Accounting Division.

Port Safety Issues

Incident with Gantry 3 and Man Lift

On Thursday, December 26, 2013, the GM received a report from Safety Inspector III Paul Salas concerning an incident involving Gantry 3 and the East West Rental Man lift. According to Mr. Salas, on the same day at 1:10 p.m. Crane Operator Leader Joseph Bamba was assigned to operate Gantry 3 and shift the crane from F-3 to F-4 where the Matson Manukai was berth to address ongoing vessel operations. Mr. Salas relayed in his report that as Mr. Bamba was shifting the gantry, the waterside of the gantry impacted and scraped the right front tire of the East West Rental Man Lift and damaged the outer portion of the right front tire.

Mr. Salas went on to relay that the Man Lift was parked on the dockside inside the yellow line to address ongoing scheduled preventive maintenance work. The Maintenance section was not notified that Gantry 3 was to be used for operations that afternoon. In addition, the crane operator did not have a spotter (crane walker) present when he started up the crane. Also, there were no Preventive Maintenance personnel present on site when Gantry 3 was shifted. Mr. Salas concluded his report that aside from the damage to the Man Lift tire, there were no injuries involved with this incident.

This incident has been forwarded to the Accident Review Board to provide recommended action to the General Manager.

Incident on Barge S-2007

On Tuesday, December 31, 2013, the GM received a report from Safety Inspector Detailed Robert Lau concerning an incident that occurred that same day when Crane Operator Anthony Yamasta operating Gantry 5 was discharging containers from Barge S-2007. According to the report, Mr. Yamasta was lifting a 40 foot Matson reefer container that was still twist locked to a 45 foot container on the second tier. Stevedore Christopher Jason Aguigui noticed that the twist

lock was still in place at the right landside corner of the casting and was signaling the Crane Operator. The report went on to relay that Mr. Yamasta was not able to see the signal from Mr. Aguigui due to the overhang of the 45 foot container.

As a result, the twist lock broke and the 40 foot container from the second tier dropped into the main deck of the barge and upon impact damaged the metal plate that was used to keep the reefer plug stored in place. There was also damage to the 40 foot reefer container MATU 551691-0.

This incident was referred to the Accident Review Board for recommendations to provide recommendations to the GM.

Damaged Property

On Tuesday, January 14, 2014, the GM received a report from Acting Safety Inspector John T. Santos concerning damage to a guard protector for a light post near LC-3. According to Mr. Santos Equipment Operator II Richard Borja was operating Tractor #79 while draying a container on a bumper cart from F-5 to Area A. Mr. Borja failed to make a wide turn to clear the light post guard protector and struck the guard post, severing it at its base. The extent of the damage to the bumper cart was scrapped paint. There were no injuries suffered as a result of this incident.

Mr. Santos determined that the cause of this incident was inattention on the part of Mr. Borja to ensure proper clearance when executing his turn near the guard post. He also recommended that this incident be forwarded to the Accident Review Board to make recommendations to the General Manager.

Work Injury

On Tuesday, January 21, 2014, the GM received a report from Safety Inspector Ken Santos concerning an incident that occurred on Wednesday, January 15, 2014 when Preventive Maintenance Mechanic Frank Fernandez was fabricating a metal piece for a flatbed vehicle while using a 2-inch angle iron. According to Mr. Santos, Mr. Fernandez stepped on the sharp pointed edge of the angle iron on the floor. Mr. Fernandez sustained a minor laceration to his right foot as the edge of the angle iron penetrated the right sole of his shoe.

Mr. Fernandez experienced a minor cut that did not inhibit his mobility. He refused medical attention.

Mr. Santos concluded that the primary cause of this incident was the failure of Mr. Fernandez to notice the metal debris hazard that should have been removed and cleaned away from the work

area. He also recommended that good housekeeping practices be consistently implemented at all times.

Industrial Incident and Work Injury

On Tuesday, January 21, 2014, the GM received a report from Safety Inspector Ken Santos concerning an incident that occurred on Wednesday, January 15, 2014 when Equipment Operator II Ignacio Benavente was operating Tractor 75 and draying a full container from Matson vessel Pfeiffer at F-5 for grounding at area "O." After Mr. Benavente disengaged the container, he went to pick up an empty chassis to continue his operations when he moved his tractor to the right side to accommodate an oncoming tractor. As a result of this, Mr. Benavente's front wheel fell into an open storm drain that had a missing grating. Mr. Santos relayed that the impact and downward motion of the tractor caused Mr. Benavente to lunge forward and upward, striking his head on the roof of the cab.

Mr. Benavente claimed that he had been wearing his seat belt and refused medical attention after the incident.

Mr. Santos determined that the cause of this incident was the result of a missing metal grating on the storm drain. He recommended that the storm drain grating be replaced and that traffic cones be placed at the location until the grate is replaced. He also relayed that Transportation Superintendent include this report in is Safety Briefing.

Work Injury

On Thursday, January 23, 2014, the GM received a report from Safety Inspector John T. Santos that Administrative Aide (Dock Master) Benjamin Toves was in the process of shifting a long liner vessel when lost his footing after he stepped off a bull rail and slipped on sand and gravel. He fell striking his knee on the pavement.

The silt and gravel is believed to have been discharged from the Sunny Pescador during inclement weather.

Mr. Toves was sent to GMH for medical attention and the appropriate WCC 201 and 202 forms issued to his supervisor to complete and return to the Safety Office.

Safety Inspector Santos determined the cause of the incident was related to the failure of Mr. Salas to recognize the slippery conditions created as a result of the sand and gravel and taken extra precautions when stepping down from the bull rail to the pavement and ensure proper footing. He also recommended that the Harbor Master's Dock Masters be made aware of the waterfront conditions to ensure a safe working area. He also relayed that this incident be

included as a topic during Safety meetings to insure proper body positions and proper footings on elevated locations.

Work Injury

On Friday, January 24, 2014, the GM received a report from Safety Inspector II John T. Santos that Maintenance Custodian Phillip Salas had been assigned that day to remove trash from the Administration Building. Mr. Salas had parked his official vehicle # 4285 in front of the building to load and transport the trash for disposal. He had been assisted by three other custodians.

Mr. Salas was driving the vehicle away from the Administration Building when he noticed that one of the trash bags was burning. He immediately pulled over and reached to remove the burning trash bag from the back of the vehicle. As a result, he received burns to his right forearm and left hand.

The trash fire was put out by Custodians that retrieved a fire extinguisher from the Administration Building.

Mr. Cruz was sent to GMH for medical attention with the WCC Form 101a. In addition the WCC forms 201 and 202 were issued to Mr. Salas' supervisor to complete and return to the Safety Office.

Mr. Santos recommended that the "No Smoking" policy be enforced in and in front of the Administration Building. He also recommended that shredded paper be separated from the municipal trash. In addition, He relayed that this report should be provided to the Maintenance Supervisor to relay to all maintenance staff during their Safety meetings.

Industrial Incident – Kyowa Cattleya/Bull Rail at F-5

On Tuesday, January 28, 2014, the GM received a report from Safety Inspector II John T. Santos concerning an industrial incident involving the Kyowa Cattleya and the Bull Tail at F-5. According to the report the Kyowa Cattelleya was berth at F-5 for Ro/Ro operations on Monday, January 27, 2014. The vessels crews had lowered the ramp without noticing that ramp was sitting on a cleat and hitting the bull rail. As a result the ramp caused the bull rail to be chipped and scratches to the cleat while vehicles were being discharged. Mr. Santos relayed that the representatives from Kyowa Cattleya were present and acknowledged the damages. In addition, the Harbor Master was contacted and a request was made by the MSA agent to shift the vessel to properly position the ramp.

Safety Inspector Santos determined that the cause of this incident was the inattention on the part of the Vessel's crew who lowered and secured the RO/RO ramp without ensuring that the ramp was properly sitting on the wharf pavement.

This incident was referred to the Accident Review Board for recommendations to provide recommendations to the GM.

Industrial Incident

Thursday, January 30, 2014, the GM received a report from Safety Inspector II John T. Santos concerning an industrial incident involving Crane Operator Alfredo Bordallo who had been assigned to operate a 10-ton forklift No. 166 to load ten (10) steel coil drums onto a tractor flatbed for issue. Mr. Bordallo was in the process of loading the seventh drum on the flat bed when the rear wheel of the forklift went into a pot hole causing the drum to fall to the pavement.

According to Mr. Santos, the pallet containing the steel coil did not hold the weight of the coil that suffered minor damage. Fortunately, Mr. Bordallo did not suffer any injury.

Mr. Santos determined that the cause of the incident was the failure to ensure the proper handling of a heavy load and also insuring that the worksite was free of safety hazards. He also recommended that this incident be forwarded to the Accident Review Board for further recommendation to the GM.

Work Injury Incident

On Friday, January 31, 2014, the GM received a report from Safety Inspector II John T. Santos that Stevedore Franklin Jr. Calvo had been assigned that same day to unleash containers on board the Matson. As Mr. Calvo was in the process of unhooking the lashing rod from the corner casting of a container, a foreign particle fell into his left eye. Mr. Calvo reported that he had an irritation and redness to his left eye.

Mr. Santos relayed that "the WCC Forms 101a, 201 and 202 were filled out however Mr. Calvo refused medical treatment at this time. WCC forms were filed with Mr. Calvo's signature."

Mr. Santos determined that the cause of this incident was excessive rust and dust particles accumulation in the corner castings. He recommended that this incident be discussed at the Stevedoring Safety meeting and briefing prior to unlashings operations.

The GM has spoken with Operators Manager John Santos concerning this incident and will be determining if further policy steps need to be taken to address a requirement for the use of safety glasses by employees during this type of operations.

Barricade and Top Lifter 09-05 Industrial Incident

On Thursday, February 13, 2014, the GM received a report from Safety Inspector Detailed Robert Lau relaying that Crane Operator Ted Cruz had been assigned to operate Top Lifter 09-05 earlier that morning at 1:50 a.m. Mr. Cruz had been assisting with the loading operations of the Kyowa Hibiscus vessel docked at F-5.

According to Mr. Lau investigation, Mr. Cruz was reversing the Top Lifter and came to a stop, then proceeded to turn his wheel. As a result, his left rear tire made contact with the barricade that had been in place for the demolition of Warehouse 2 by the Smithbridge Corporation. Two sheets of barricade tin were damaged as a result of this incident. Mr. Lau also relayed that the location of the incident for the "ongoing vessel operations was dark and tight."

The report findings determined that there was no damage to the Top Lifter and no injuries sustained during the incident.

Mr. Lau's report concluded that the cause of the incident was "haste, inattention, and misjudging clearances in a tight and poorly lit work area by the equipment operator."

This incident was referred to the Accident Review Board for recommendations to provide recommendations to the GM.

Freedom of Information Act Request

Request from Senator BJ Cruz

On Thursday, December 5, 2013, the Port received a FOIA request from Senator BJ Cruz for the following information concerning the cost of maintenance and repair for the POLA cranes:

1. A detailed accounting of all sums paid and/or invoiced (to include a copy of all checks, work orders, invoices and other billings) for the maintenance and repair of Gantry Crane 3 and each of the POLA cranes. The aforementioned records shall be provided from the date PAG acquired the POLA cranes to present.
2. The total amount paid to date for the maintenance and repair costs detailed in item 1 of this request.
3. A detailed accounting of all sums to be paid and/or invoiced for the *future maintenance* and repair of Gantry Crane 3 and each of the POLA cranes.

4. A status report on the Project Management Contract (PMC) for the maintenance and repair of the POLA cranes.

On Thursday, December 12, 2013 Acting GM Maria Taitano provided a response to Senator Cruz that "The Port Authority of Guam (PAG) received your FOIA request of December 5, 2013. Due to the need to search for, collect, and appropriately examine numerous records from different departments, and pursuant to 5 GCA § 10103 (e), PAG will need more time to respond to your request." The Acting GM relayed that a response will be provided no later than Sunday, December 15, 2013.

On Friday, December 13, 2013, Acting GM Maria Taitano provided Senator Cruz with the electronic documents stored within an enclosed CD.

FOIA Request from GFT

On Monday, January 6, 2014, the Port received a FOIA request from GFT Executive Director Joleen Castro who provided the following: "In reference to the public statements made at the SPECIAL MEETING OF THE BOARD OF DIRECTOR for the Port Authority of Guam on Friday, January 3, 2014. We are requesting for all files and records over the last 5 years that are in the Ports Possession as indicated below under item #2."

The request also included:

1. The assignments of work on weekend and during the non-regular work day. This would include the number of people assigned, the position they occupy and hours they worked.
2. The revenue collected by the Port from shipping companies for that work during the non-regular work day.
3. Copies of all internal studies conducted by the Port regarding the assignment of employees to work during the non-regular work day.
4. Copies of all communications to the governor regarding the assignment of work during the non-regular work day.

On Friday, January 10, 2014 the Port provided a response to the Ms. Joleen Castro concerning GFT FOIA request of Monday, January 6, 2014 for numerous documents related to shift scheduling and PAG revenues. Ms. Castro was informed that due to the need to gather and review voluminous documents from different departments, pursuant to 5 G.C.A. § 10103(e)(1) and (2), the Port required additional time to process the GFT request. A final response was

provided to GFT on Thursday, January 16, 2014 relaying that the Port has timely provided all documents in the Ports possession responsive to the January 6, 2014 request.

Fiscal year 2013 Freedom of Information Act (FOIA) Annual Report

On Thursday January 2, 2014, the Attorney General Leonardo M. Rapadas provided a reminder to all Department and Agency Heads to include all boards and commissions “of the requirements of 5 G.C.A. § 10107 to submit an annual report to the Attorney General of Guam regarding Freedom of Information Act requests.”

According to the AG the report has to be submitted by the Port no later than Saturday, February 1, 2014.

On Thursday, Acting General Manager Felix Pangelinan provided a response to Attorney General Rapadas that included the following information:

1. The Port Authority of Guam responded to all FOIA request received during this period.
2. A total of forty (40) requests were received; three of which were extended due to unusual circumstances as outlined in 5 GCA, Chapter 10, Section 10103(e).
3. Total cost associated with the FOIA request amounts of \$6.46 for copying fees of documents. No other costs were assessed.

The Acting General Manager also relayed that the information would be posted on the Port Authority's website at www.portguam.com.

Request from Douglas Moylan

On Sunday, February 2, 2014, Attorney Douglas B. Moylan emailed a FOIA request to the Port requesting the following information.

1. name of person holding the position of payroll supervisor, or equivalent position title;
2. name of the title of the person identified in response to question no. 1 above;
2. mailing address & phone number of said person identified in response to question No. 1 above.

The Port provided a response to his inquiry on Thursday, February 06, 2014.

Legislative Matters

Follow-up Request from Senator Tom Ada

On Thursday, December 26, 2013, Senator Tom Ada had requested information in follow-up to the Port Oversight Hearing that was held on Tuesday, December 17, 2013.

1. Gantry Crane *Structured Maintenance Program* (a deliverable under PAG-OAE Task Order No. 31, Crane Maintenance Program Management Consultant Support Services) for the POLA Cranes (#'s 14, 16, and 17) and Gantry 3.
2. Progress Report on Critical Repairs for POLA Cranes. Submission of subject Report was ordered by PUC pursuant to PUC Docket 12-01 which states in part: "*By December 15, 2013, PAG shall file [a] report with the PUC detailing the progress of the remaining repairs indicated in PAG's List of Critical Repairs, or any other repair or preventative maintenance work that PAG or its consultants have identified.*"

On Thursday, January 02, 2014, the Port provided a response to Senator Ada concerning the Critical Repairs for the POLA cranes.

Round Table Meeting on Invasive Species Fee Regulation

On Tuesday, January 7, 2014, the Port received notice from Senator Rory Respicio and Senator Tom Ada that the Committee on Human & Natural Resources in collaboration with the Committee on Public Safety, Infrastructure & Maritime Transportation, at the request of Senator Chris Duenas would be holding a Round Table Meeting on the Department of Agriculture's Rules and Regulations relative to the Proposed New Invasive Species Fee Regulation at 2:00 p.m. on Monday, January 13, 2014 at the Legislature's Public Hearing Room.

The Port's participation was requested in addition to representatives from the Department of Agriculture, the Guam Customs & Quarantine Agency, the Guam Invasive Species Council, the Guam Chamber of Commerce and the Guam Chamber of Commerce's Maritime Affairs Committee.

On Friday, January 10, 2014, the Port received notice from Senator Respicio that the Round Table Meeting was postponed until further notice. Senator Respicio relayed that the Port had not been contacted regarding the implementation of the Invasive Species Act and that there were "other statutory deficiencies cited which prevented these Rules and Regulations from being implemented through the AAA process."

The Port is awaiting notice for a new meeting date.

Inquiry from Senator Respicio on the GFT Collective Bargaining Agreement

On Wednesday, January 15, 2013, the GM received an inquiry from Senator Rory Respicio requesting an update on the status of the Collective Bargaining Agreement CBA between the Port Authority and the Guam Federation of Teachers.

Senator Respicio relayed in his letter the history of events related to the CBA and added that "it is his understanding that the actual employees' schedule mirrors what is called for in your Port Terminal Tariff. Any additional work on vessels, and any related operations performed past scheduled hours should be paid for by the respective shipping agents."

The GM responded via email on the same day the following: The status of the agreement is that the document has not been signed by the Attorney General or the Governor of Guam. We have relayed to GFT our issues concerning the work week during a meeting that occurred on December 20, 2013. GFT responded that they do not agree that the contract is open for further discussion. As such, I am not recommending that the Governor sign the contract. This essentially sums up the current status on this matter.

Bill No. 252-32 on Sovereign Immunity

Senator Dennis Rodriguez, Jr. introduced Bill No. 252-32 Relative to the Waiver of Sovereign Immunity on a Loan Previously Authorize for the Jose D. Leon Guerrero Port Authority of Guam. Further details on the bill are referenced under Port General Operations on page 11 of this report.

Testimony for Bill No. 268-32

On Friday, January 31, 2014, the GM provided testimony in favor of Bill No. 268-32, An Act to approve the Department of Administration's implementation plans of the 'Government of Guam Competitive Wage At of 2014', to require a performance-based standard for directors and deputy directors of line agencies and *I Maga'lahren* and *I Segundu Maga'lahren*.

The GM relayed in her testimony the structure of the Port's Compensation and Classification Plan that had become effective in October of 2009. She recommended that the Legislature address the disparity between employees in the line agencies compared autonomous agencies such as the Port.

Note: Page 37 thru 45 are Personnel Related Matters.

FEDERAL GRANT/LOANS & LOCAL FUNDING PROGRAMS
FY2013 Port Modernization Plan
Grant Strategy - Monthly Update

February 14, 2014

Summary Sheet of Funding/Financing

Port Modernization	On-hand	Expenditures	Remaining Balance	NOTES
Grants	\$ 55,220,000.00	\$ 13,182,469.23	\$ 42,037,530.77	\$48.5M Port Enterprise Fund
Security	\$ 8,376,401.28	\$ 2,390,944.47	\$ 5,985,456.81	
Marinas	\$ 2,770,000.00	\$ 1,265,452.03	\$ 1,504,547.97	
Grand Totals:	\$ 66,366,401.28	\$ 16,838,865.73	\$ 49,527,535.55	

Applications/Approvals Pending

		NOTES
Modernization	N/A	
Security	\$ 651,314.15	Hazard Mitigation Program
Marinas	\$ 261,000.00	BIG Tier I; Clean Vessel Act Sport Fishing Program
Grand Totals:	\$ 912,314.15	

PORT AUTHORITY OF GUAM - FEDERAL GRANT FUNDING PROGRAMS
Friday, February 14, 2014

I. Port Modernization

ITEM	GRANT #	PROJECT NAME	Federal or Local Agency	Notice to Proceed	% Completed	Award Date / End Date	Award Amount	Draw Down Submitted	Remaining Balance	STATUS:
FY2009-02	GUAM-CP-2009-1-GR070144	Preliminary Engineering & Environmental Studies for the DOLG Commercial Port Facilities	Department of Interior Office of Insular Affairs (DOI OIA)	06/27/09	98.0%	3/18/2009 - 3/18/2014	\$ 2,000,000.00	\$ 1,960,048.19	\$ 39,951.81	PAG/Owner Agent Engineer (OAE) Project Management & Related Task
FY2010-01	Port Enterprise Fund	Guam Commercial Port Improvement Program	Department of Defense Maritime Administration Agency (MARADM)	09/27/10	14.6%	9/27/2010 - 9/27/2015	\$ 48,500,000.00	\$ 7,097,403.99	\$ 41,402,596.01	Transferred to the Port Enterprise Fund on 09/27/2010. As of 2/27/2014 Dashboard Total Transferred to Project \$10M. Total for Contracts \$48.5M. Total for MARADM Admin \$1.5M. EA Engineering \$7,097,403.99. Pending Contract Obligations \$1,975,100.00. Version: 6/7/6/2013 PAG Financial Dashboard
FY2010-03	GR0706-10-10	Project Controls and Program Accountability Services	Office of Economic Adjustment (OEA) DOD	10/07/10	79.3%	10/17/2010 - 9/30/2012 Contract approved 9/30/2013 Extension approved 03/31/2014	\$ 750,000.00	\$ 584,846.96	\$ 165,153.04	\$36,661.23 pending reimbursement
FY2010-04	Guam-G-2010-1	Implementation of Programs and Projects Relevant to the Port Modernization Program	Department of Interior Environmental and Related Agencies Appropriations Act 2010 (DOI OIA)	10/29/10	89.4%	9/28/2010 - 9/28/2015	\$ 2,000,000.00	\$ 1,798,856.30	\$ 211,143.70	PAG/Owner Agent Engineer (OAE) Project Management & Related Task
FY 2011-01	GR0706-11-12	Owner's Agent Engineer Support Services	Office of Economic Adjustment (OEA) DOD		88.4%	4/01/2011 - 3/31/2012 Extension approved 01/23/2014 approved 03/31/2014	\$ 1,970,000.00	\$ 1,741,313.79	\$ 228,686.21	\$133,846.64 pending reimbursement
GRAND TOTAL GRANTS FOR MODERNIZATION:							\$ 55,220,000.00	\$ 13,182,469.23	\$ 42,037,530.77	

II. SECURITY

ITEM	GRANT #	PROJECT NAME	Federal or Local Agency	Notice to Proceed	% Completed	Award Date / End Date	Award Amount	Draw Down Submitted	Remaining Balance	STATUS:
FY2008-01	2008-GF-78-0148	Acquisition of Interoperable Communication Equipment	The Department of Homeland Security Office of Grants and Training (DHS OGT)	Notice to Proceed was given in early 2009	100.0%	08/01/2008 - 05/31/2013	\$ 573,693.97	\$ 573,693.97	\$ -	Close out documents completed
FY2008-02	2008-GF-78-148	Comprehensive Port Wide Video Surveillance System	The Department of Homeland Security Office of Grants and Training (DHS OGT)	Notice to Proceed given in early 2009	0.0%	08/01/2008 - 05/31/2013	\$ 556,376.69	\$ 356,376.69	\$ 200,000.00	Close out documents completed
FY2009-02	2009-FU-79-0041	I-2 Access Control/Screening Credentialing System with TWC Reader Capability	PSGP	03/01/10	9.0%	3/2/2009 - 12/31/2013	\$ 622,811.62	\$ 31,442.00	\$ 591,369.62	No Cost Extension submitted to US DHS/FEMA on 12/17/2013. Currently waiting on Grant Adjustment Notice (GAN) 95% of project is completed. Just few hours at the Admin Bldg and ECOM Office will be completed on or before 2/17/2014.
FY2009-03	2009-FU-79-0043	I-2 Communication Duct Bank Work (formerly Radar/Intrusion Detection System)	PSGP	01/01/10	54.5%	3/2/2009 - 12/31/2013	\$ 600,837.50	\$ 372,212.00	\$ 228,625.50	FU LUREX Macro Ducting throughout the entire Port compound ongoing. The project is 90% complete. Working with CTS Building Contractor to complete contract by 2/17/2014.
FY2009-04	2009-FU-81-0164	I-1 Remediation/Upgrade of Existing Port Police Building to Support Maritime and Port Security Operations	President's MRA Supplemental PSGP	04/12/10	99.1%	09/2/2009 - 05/31/13	\$ 910,593.50	\$ 902,156.44	\$ 8,437.06	Final Financial Status Report Submitted. Final CAPR completed and submitted. Command and Control System purchased and on stand by until all ACS system and networking is completed. Upon completion, the C2 System will be housed at the Port Command Center. Although the grant's performance end date is 5/31/2014, the Port will be submitting its final request for a no cost extension within this month.
FY2010-01	2010-FU-0080	I-1 Command and Control Integration of CCTV Security Surveillance, Access Control/Screening Credentialing, Radar Intrusion/Detection, and TWC Reader Systems	PSGP	07/10/11	0.0%	06/01/10 - 05/31/2014	\$ 2,257,500.00	\$ -	\$ 2,257,500.00	Although an emergency procurement was granted by the Governor via Executive Order on 7/10/11, the grant performance end date is 5/31/2014. The equipment is 120 days and although the grant performance end date is 5/31/2014, the Port will be submitting its initial request for a no cost extension within this month.
FY2011-01	EMW 2011-FU-0020-501	I-1 Upgrade of Emergency Back-up Generator to Support Maritime and Port Security Management and Operations	PSGP	09/01/11	0.0%	09/01/2011 - 08/31/2014	\$ 867,141.00	\$ -	\$ 867,141.00	Completed specifications have been submitted and being reviewed by GSA. Anticipate award within 3 weeks. Because the delivery date for this equipment is 120 days and although the grant performance end date is 8/31/2014, the Port will be submitting its initial request for a no cost extension within this month.
FY2011-02	EMW 2011-FU-0020-501	I-2 Mobile Cargo and Vehicle (CBME) Detection and Screening System	PSGP	09/01/11	0.0%	09/01/2011 - 08/31/2014	\$ 1,525,790.00	\$ -	\$ 1,525,790.00	Completed specifications have been submitted and being reviewed by GSA. Anticipate award within 3 weeks. Because the delivery date for this equipment is 120 days and although the grant performance end date is 8/31/2014, the Port will be submitting its initial request for a no cost extension within this month.
FY2013	Pending	DMU Walk & Heavy Duty Chain Link Security-Fencing	FEMA Port Security Grant Program	Notification of Award Issued 8/28/2013 by DHS Preparedness Grant Program Announcement	0.0%	8/27/2013 - 8/24/2015	\$ 461,712.00	\$ -	\$ 461,712.00	Budget Detail Worksheet has been approved by US DHS/FEMA. The Port has submitted a re-programming request to US DHS/FEMA for a portion of the funds to make immediate repairs to the existing Chain Link wall and Barb wire
GRAND TOTAL FOR SECURITY:							\$ 8,376,403.28	\$ 2,390,944.47	\$ 5,985,458.81	

III. MARINAS

ITEM	GRANT #	PROJECT NAME	Federal or Local Agency	Notice to Proceed	% Completed	Award Date / End Date	Award Amount	Draw Down Submitted	Remaining Balance	STATUS:
FY2013-01	13 JFF-101	Agri Marina "Dock A" Repairs	NOAA Commission on Fisheries	10/01/12	0.0%	Sep 11, 2012 - *Sep 30, 2014	\$ 250,000.00	\$ -	\$ 250,000.00	Awarded to Alex International, MTY October 21, 2013. Contractor has 151 days to complete this project.
FY2012-02	Guam CIP 2012.1	Gregorio D. Perez Marina Actual Renovation & Site Improvements - Phase II	Department of Interior Office of Inlander Affairs (DOI/OIA)	01/22/12	50.8%	Feb 22, 2012 - Feb 22, 2017	\$ 2,500,000.00	\$ 1,266,472.03	\$ 1,234,547.97	\$171,537.82 pending reimbursement from DOI/OIA. Submitted request for no cost modification, pending Governor's review approval.
FY2012-03	F104F20014	Agri Small Boat Marina 3 (Fish-Walky Boom)	USFWS Sport Fish Restoration/Dept of Ag/DNAW	06/13/13	0.0%	July 2017 / September 2013 *Pending Notification of extension to Sept 30, 2014	\$ 20,000.00	\$ -	\$ 20,000.00	*NOTE: PAG received Work Request from Dept of Ag/DNAW, which authorized work & certified funds on August 13, 2013. PAG was advised not to proceed with project until official amendment letter for grant extension is received.

GRAND TOTAL FOR MARINAS:

\$ 2,770,000.00 \$ 1,265,452.03 \$ 1,504,547.97

IV. OTHER

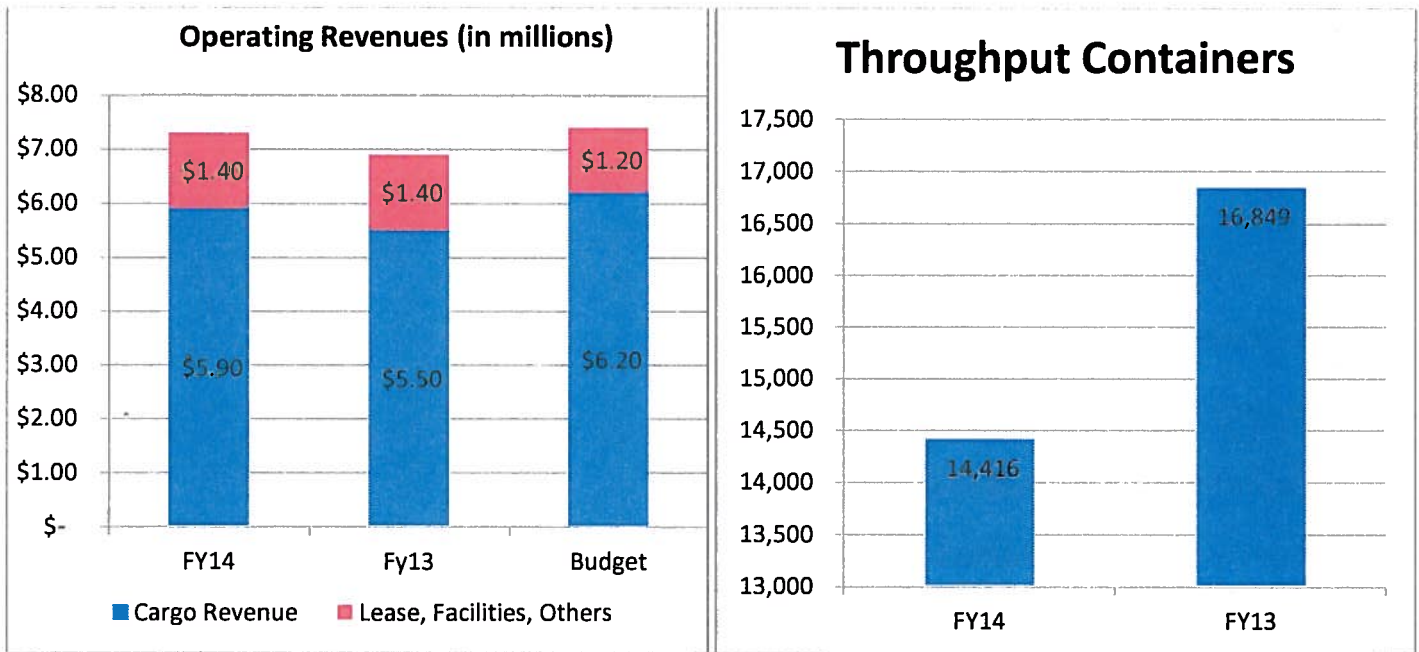
ITEM	POTENTIAL FUTURE GRANTS	PROJECT NAME	Federal or Local Agency	COMMENTS:	PAG Estimated Cost Share	Federal Cost Share %	Total Amount
1	FY2013	Harbor of Refuge A/E Design & Environmental Studies	USFWS/USFWS/Dept of Ag/DNAW	Pending Notification of Award from Dept of Ag/DNAW	\$ 25,000.00	75.0000	\$ 100,000.00
2	FY2013/2014	Agri Small Boat Marina 3 Concrete Cribwalk	USFWS/Sport Fishing Program/Dept of Ag/DNAW	PENDING Notification of Funds from Dept of Ag/DNAW	\$ -	SOW & Estimates provided to Dept of Ag/DNAW	\$ 60,000.00
3	FY2014	Agri Marina Small Boat Marina - Pump Out System & Station	USFWS/Coastal Vessel Act/Dept of Ag/DNAW	PENDING notification of award from Dept of Ag/DNAW	\$ -		\$ 61,000.00
4	FY2013	Pre-Disaster Mitigation Grant Program - PAG Mitigation Project	FEMA	The PAG is a Subgrantee to the Guam Homeland Security Office. The application was submitted online via the FEMA Grant Portal on 10/07/13	\$ 162,828.54	486.48561	\$ 651,314.15

GRAND TOTAL FOR OTHER

\$ 187,828.54 \$ 563,485.61 \$ 872,314.15

Financial Highlights – YTD November FY2014

Operating Performance:



Total Operating Revenues as of November 2013 was \$7.3 million, which consist of \$5.9 million in cargo revenues and \$1.4 million in Facilities, Leases, and Other Services.

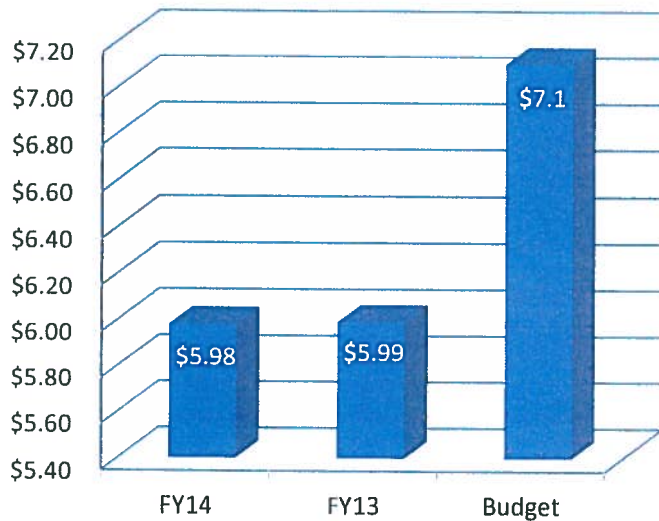
FY14 YTD cargo revenue is 8% higher than last year's total (\$5.5mil) and 4% lower than Budget (\$6.2 mil).

FY14 YTD Facilities, Leases, and Other Services as of November is 1% lower than last year (\$1.4 mil) and 18% higher than budget (\$1.2 mil).

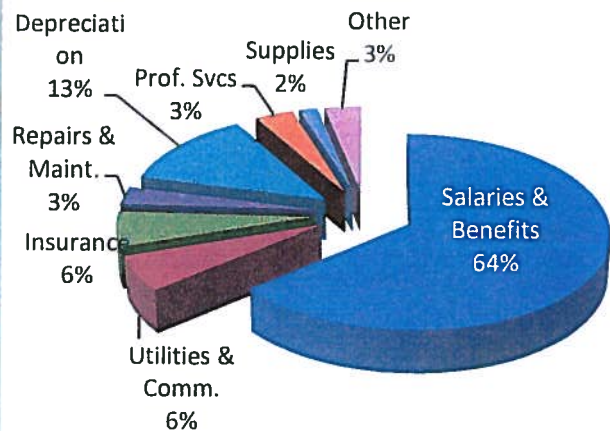
Overall Operating Revenues as of November is .03% lower than Budget (\$7.4 mil) and 7% higher than last year's year to date November (\$6.9 mil).

Total number of containers handled as of November 2013 was 14,416 which is 14% lower compared to last year November total 16,849.

Total Operating Expenses(in millions)



Operating Expenses



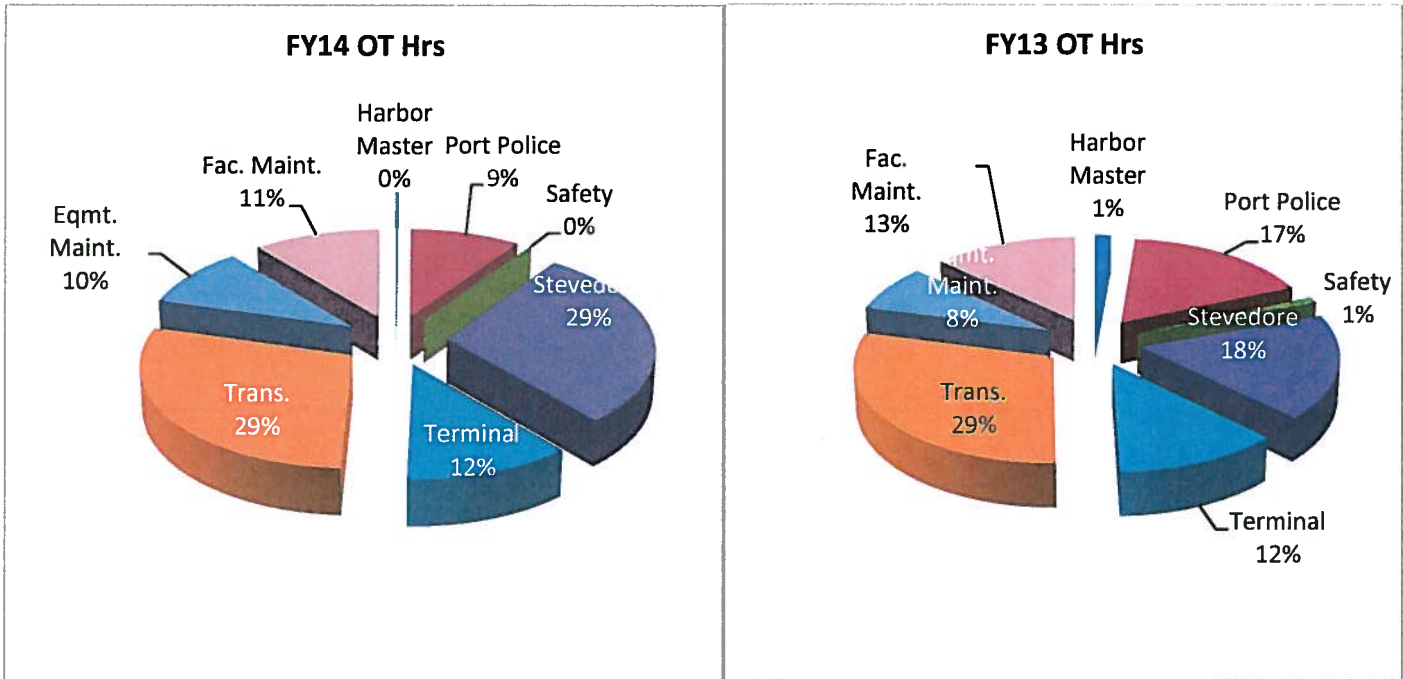
Total Operating Expenses as of November 2013 was \$5.98 million, which is 17% lower than Budget (\$7.1 mil) and .2% lower than last year's total operating expenses (\$5.99 mil).

Total Overtime as of November 2013 was \$260 thousand which is 5% higher than last year November (\$247k). Direct Labor Revenue as of November was \$442 thousand, which is 9% lower than last year and 4% higher than budget. Direct Labor charges are for services performed by Port employees under special service request and differentials under the throughput.

Below is the breakdown of overtime for each division/section for FY14 and FY13 as of October:

Sections	FY2014	FY2013	Budget	OT/HOL Revenue
Harbor Master	276	1,496	1,667	0
Port Police	24,673	17,662	16,667	9,712*
Safety	116	1,079	2,000	0
Stevedore-Cargo Handling	71,964	17,125	35,487	51,829
-Rigger	3,797	1,444	2,500	3,432
Terminal	30,637	12,719	16,667	38,620
Trans-Superintendent	13,819	5,599	13,417	0
-Crane Operators	19,376	6,969	16,917	10,532
-Equipment Oper.	37,232	16,027	25,667	41,621
-Dispatcher	4,545	1,951	2,333	0
Maint.-Crane Maint.	16,471	5,316	13,648	0
-Preventive Maint.	0	647	3,333	0
-Fleet Maint.	6,390	2,288	7,500	0
-Welders	2,452	0	9,167	0
Facility Maint.-Building	1,248	867	1,833	0
-Elect./Refr.	27,256	12,733	6,667	0
TOTAL	260,253	103,921	175,469	155,746

*Port Police OT Revenue is due to Passenger Vessels or under special service request. Electricians revenue is due to special service requests.



Year to date Operating Revenues minus the Year to date Operating Expenses resulted to an Operating Income of \$1.4 million as of November 30, 2013.

Non Operating Revenues and Expenses consist of the following: \$213k-Retirement contribution for COLA, Supplemental and Medical/Dental/Life Insurance expenses, \$148k-Interest expense on loans, \$711k-Federal Reimbursements and \$48k Interest Income. The net total of non operating expenses and revenues as of November is a positive \$383k.

The Total Net Income as of November is \$1.7 million.

Accounts Receivable Trade (net) as of November 30, 2013 is \$7.3 million.

Aging Status is as follows: 69% - Current, 6% - over 30 days, 2% - over 60 days, 2% - over 90 days and 21% - over 120 days.

Accounts Payable Trade as of November 30, 2013 is \$3.1 million which is 19% higher than last month ending balance of \$2.6 million.

**Port Authority of Guam
Income Statement
With Budget Comparison (Unaudited)
2 Months Ending 11/30/13**

Current Month Actual	%	Last Year Actual	%	Budget	% Chng	Year to Date			Last Year to Date			
						Actual	%	Chng	Actual	%	Chng	
OPERATING REVENUES												
CARGO THROUGHPUT REVENUES												
341,624	10.3	492,751	14.2	613,949	-44.4	776,737	10.5	1,125,115	16.2	-31.0	1,227,898	-36.7
913,534	27.5	881,350	25.4	843,181	8.3	2,021,661	27.4	1,886,910	27.3	7.1	1,686,362	19.9
36,231	1.1	44,752	1.3	54,446	-33.5	118,659	1.6	75,480	1.1	57.2	108,892	9.0
356	0.0	52	0.0	961	-62.9	1,363	0.0	236	0.0	477.3	1,922	-29.1
					0.0		0.0			0.0		0.0
10,447	0.3	90,829	2.6	43,056	-75.7	63,838	0.9	103,905	1.5	-38.6	86,112	-25.9
3,063	0.1	5,321	0.2	9,243	-66.9	8,384	0.1	11,931	0.2	-29.7	18,486	-54.6
(4,246)	-0.1	996	0.0	2,037	-308.4	(2,602)	0.0	2,226	0.0	-216.9	4,074	-163.9
		1,025	0.0	2,178	-100.0	41	0.0	1,025	0.0	0.0	4,356	0.0
6,250	0.2	9,550	0.3	9,069	-31.1	16,800		17,350			18,138	0.0
1,307,261	39.4	1,526,627	44.0	1,578,120	-17.2	3,004,882	40.8	3,224,177	46.6	-6.8	3,156,240	-4.8
CARGO THROUGHPUT REVENUES												
OTHER CARGO RELATED REVENUES												
3,349	0.1	21,482	0.0	948	0.0	4,628	0.1		0.0	0.0	1,896	0.0
6,259	0.2	18,074	0.5	16,363	-9.3	14,010	0.2	21,482	0.3	-37.2	13,904	-2.9
		128	0.0	390	0.0	385	0.0					
142,597	4.3	203,364	5.9	194,222	-26.6	300,105	4.1	436,741	6.3	-31.3	388,444	-22.7
5,027	0.2	18,074	0.5	16,363	-9.3	14,010	0.2	28,517	0.4	-50.9	32,726	-57.2
		128	0.0	390	0.0	385	0.0	128	0.0	0.0	780	-50.7
2,144	0.1	2,709	0.1	2,851	-24.8	5,643	0.1	5,079	0.1	11.1	5,702	-1.0
7,740	0.2	8,295	0.2	8,303	0.0	17,100	0.2	18,630	0.3	0.0	16,606	0.0
196,973	5.9	268,661	7.7	212,890	-7.5	442,073	6.0	485,275	7.0	-8.9	425,780	3.8
18,972	0.6	9,264	0.3	12,808	48.1	45,421	0.6	21,674	0.3	109.6	25,616	77.3
26,508	0.8	29,895	0.9	29,424	-9.9	56,864	0.8	58,290	0.8	-2.4	58,848	-3.4
324,337	9.8	397,433	11.4	369,329	-12.2	732,547	9.9	776,063	11.2	-5.6	738,658	-0.8
41,976	1.3	48,228	1.4	48,975	-14.3	90,346	1.2	102,700	1.5	-12.0	97,950	-7.8
11,531	0.3	15,261	0.4	15,088	-23.6	27,413	0.4	33,596	0.5	-18.4	30,176	-9.2
104,937	3.2	136,714	3.9	125,345	0.0	236,096	3.2	264,769	3.8	-10.8	250,690	-5.8
422,819	12.7		0.0	459,360	0.0	947,995	12.9		0.0	0.0	918,720	3.2
1,315,299	39.6	1,159,506	33.4	1,503,248	-12.5	2,934,122	39.8	2,252,944	32.5	30.2	3,006,496	-2.4
2,622,560	79.0	2,686,133	77.4	3,081,368	-14.9	5,939,004	80.5	5,477,121	79.1	8.4	6,162,736	-3.6

**Port Authority of Guam
Income Statement
With Budget Comparison (Unaudited)
2 Months Ending 11/30/13**

	Current Month		Last Year		Year to Date		Last Year to Date		Budget	% Chng
	Actual	%	Actual	%	Actual	%	Actual	%		
NON OPERATING REVENUES										
FACILITIES										
FACILITIES USAGE MOBIL	84,748	2.6	88,981	2.6	176,987	2.4	172,027	2.5	181,358	0.0
FACILITIES USAGE TRISTAR	274,763	8.3	309,203	8.9	578,927	7.9	450,200	6.5	427,190	0.0
FACILITIES USAGE SPACE RENTAL	106,316	3.2	103,148	3.0	277,672	3.8	190,193	2.7	158,236	75.5
FACILITIES LEASE INCOME	92,105	2.8	115,661	3.3	26,001	0.4	174,048	2.5	186,708	-86.1
FACILITIES COMMON AREA MAINTENANCE FEE	5,638	0.2	5,881	0.2	11,276	0.2	11,762	0.2	11,638	-3.1
FACILITIES SECURITY SURCHARGE RENTAL	3,905	0.1	3,733	0.1	7,098	0.1	7,646	0.1	6,866	3.4
MARINA REVENUES	18,732	0.6	20,583	0.6	40,145	0.5	40,792	0.6	40,884	-1.8
HARBOR OF REFUGE	4,155	0.1	4,192	0.1	8,009	0.1	8,367	0.1	9,060	-11.6
DEMURRAGE	48,438	1.5	103,627	3.0	202,358	2.7	308,695	4.5	116,666	0.0
	638,799	19.2	755,009	21.7	1,328,473	18.0	1,363,731	19.7	1,138,606	16.7
OTHER FEES & SERVICES										
CLAIMS FEE	0.0	0.0	0.0	0.0	13,873	0.0	0.0	0.0	0.0	0.0
BULK SCRAP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
MATERIAL USED	0.0	0.0	0.0	0.0	0.0	0.0	189	0.0	356	0.0
PASSENGER SERVICE	1,162	0.0	1,504	0.0	6,839	0.1	16,055	0.2	9,182	-25.5
BUNKER	7,021	0.2	2,301	0.1	2,596	0.0	7,466	0.1	5,034	-48.4
SPECIAL SERVICES	12,607	0.4	10,220	0.3	17,055	0.2	26,553	0.4	48,972	-65.2
ELECTRICAL POWER	20,789	0.6	16,792	0.5	24,379	0.3	31,866	0.5	63,544	0.0
	1,504	0.0	465	0.0	64,741	0.9	82,129	1.2	2,586	0.0
ADMINISTRATIVE FEES & SERVICES										
REIMBURSEMENTS	37,500	1.1	786,291	22.6	37,500	0.5	37,500	0.5	8,834	0.0
FEDERAL REIMBURSEMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EARTHQUAKE INSURANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TYPHOON INSURANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OTHER REIMBURSEMENT	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE MINIMUM CHARGE	0.0	0.0	0.0	0.0	0.0	0.0	4	0.0	0.0	0.0
	37,500	1.1	786,291	22.6	37,500	0.5	37,500	0.5	8,834	0.0
NON OPERATING REVENUES	698,593	21.0	3,472,424	100.0	1,434,437	19.5	1,447,082	20.9	1,213,570	18.2
TOTAL REVENUES	3,321,153	100.0	3,472,424	100.0	7,373,440	100.0	6,924,203	100.0	7,376,306	0.0

Port Authority of Guam
Income Statement
With Budget Comparison (Unaudited)
2 Months Ending 11/30/13

	Current Month		Last Year		Year to Date		Last Year to Date		Budget	Chng	%		
	Actual	%	Actual	%	Actual	%	Actual	%					
INDIRECT COSTS													
General & Administrative Expen													
Salaries & Wages	(1,275,409)	-38.4	(1,357,764)	-39.1	(1,437,581)	-11.3	(2,598,561)	-35.2	(2,674,487)	-38.6	-2.8	(2,875,162)	-9.6
Insured Benefits	(103,374)	-3.1	(102,372)	-2.9	(95,069)	8.7	(212,359)	-2.9	(204,700)	-3.0	3.7	(190,138)	11.7
Retirement Benefits	(386,387)	-11.6	(396,960)	-11.4	(398,394)	-3.0	(799,894)	-10.8	(787,746)	-11.4	1.5	(796,788)	0.4
Other Benefits	(100,601)	-3.0	(106,672)	-3.1	(125)	0.0	(207,018)	-2.8	(214,467)	-3.1	-3.5	(250)	82,707
Other Personnel Costs	(5,498)	0.0	10,659	0.3	(10,833)	0.0	(11,082)	0.0	10,466	0.2	-100.0	(21,666)	-100.0
Communications			(11,777)	-0.3	(8,679)	0.0	(11,082)	-0.2	(16,657)	-0.2	-33.5	(17,358)	-36.2
Leases/Rentals				0.0		0.0		0.0		0.0	0.0		0.0
Utilities	(187,074)	-5.6	(240,277)	-6.9	(236,541)	0.0	(342,553)	-4.6	(397,026)	-5.7	-13.7	(473,082)	-27.6
General Insurance	(178,440)	-5.4	(167,202)	-4.8	(207,619)	0.0	(356,880)	-4.8	(334,404)	-4.8	6.7	(415,238)	-14.1
Repairs & Maintenance				0.0	(66,876)	0.0		0.0		0.0	0.0	(133,752)	
Repairs & Maintenance	(10,752)	-0.3	(17,949)	-0.5	(60,532)	-82.2	(15,924)	-0.2	(28,111)	-0.4	-43.4	(121,064)	-86.8
Repairs & Maintenance-Subic Cr	(338)	0.0	(50,000)	-3.2	(57,388)	0.0	(63,509)	-0.9	(315,582)	-4.6	-79.9	(100,000)	-36.5
Repairs & Maintenance-Pola 14	(15,862)	-0.5	(112,715)	-3.2	(57,388)		(32,247)					(114,776)	
Repairs & Maintenance-Pola 16	(15,812)	-0.5			(57,388)		(32,197)					(114,776)	
Repairs & Maintenance-Pola 17	(16,668)	-0.5			(57,388)		(33,053)					(114,776)	
Depreciation & Amortization	(382,960)	-11.5	(306,592)	-8.8	(383,876)	0.0	(765,919)	-10.4	(618,084)	-8.9	23.9	(767,752)	-0.2
Damage, Shortage, Writedown & Supplies	(50,277)	-1.5	(89,108)	-2.6	(6,834)	0.0	(100,117)	-1.4	(3,050)	0.0	-100.0	(13,668)	-100.0
Miscellaneous	(3,766)	-0.1	(1,733)	0.0	(25,265)	-61.6	(5,621)	-0.1	(137,047)	-2.0	-26.9	(261,720)	-61.7
Advertising				0.0		0.0		0.0	(3,438)	0.0	63.5	(50,530)	0.0
Agency & Management Fees	(57,639)	-1.7	(58,870)	-1.7	(44,028)	0.0	(121,385)	-1.6	(90,536)	-1.3	34.1	(88,056)	37.9
Professional Services	606,022	18.2	(86,770)	-2.5	(202,841)	-398.8	(195,803)	-2.7	(131,335)	-1.9	49.1	(405,682)	-51.7
Contractual Services				0.0	(583)	0.0		0.0		0.0	0.0	(1,166)	0.0
Other Contractual Services	(11,255)	-0.3	(29,250)	-0.8	(30,656)	-63.3	(12,048)	-0.2	(33,090)	-0.5	-63.6	(61,312)	-80.4
Other Expenses	(4,655)	-0.1	(300)	0.0	(8,959)	0.0	(12,265)	-0.2	(6,304)	-0.1	94.6	(17,918)	0.0
Earthquake Expense				0.0		0.0		0.0		0.0	0.0		0.0
Typhoon Expense	(1,579)	0.0		0.0		0.0	(57,166)	-0.8		0.0	0.0		0.0
Earthquake Expense				0.0		0.0		0.0		0.0	0.0		0.0
General & Administrative Expen	(2,202,324)	-66.3	(3,075,650)	-88.6	(3,578,315)	-38.5	(5,975,602)	-81.0	(5,985,596)	-86.4	-0.2	(7,156,630)	-16.5

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Total Assets					
Current Assets					
Cash on Hand	2,000.00	2,000.00	2,000.00		
Petty Cash Fund	100.00	100.00	100.00		
Cashier Change Fund	100.00	100.00	100.00		
Cash on Hand	2,100.00	2,100.00	2,100.00		
Incentive Award Fund					
First Hawaiian Bank-Incentive					
Incentive Award Fund					
Cash in Bank					
First Hawaiian Bank	488,646.18	245,280.46	866,835.46	243,365.72	378,189.28
Bank of Guam					
Bank of Hawaii	2,414,472.99	2,616,958.48	1,423,005.69	202,485.49	991,467.30
Citizen Security Bank					
Cash in Bank	2,903,119.17	2,862,238.94	2,289,841.15	40,880.23	613,278.02
Short Term Investments					
Bank of Guam	1,449,955.52	1,545,465.16	1,436,847.13	95,509.64	13,108.39
Citizen's Security Bank					
First Hawaiian Bank					
BankPacific					
CitiBank					
Bank of Hawaii	6,762,612.56	6,758,722.90	6,754,705.93	3,889.66	7,906.63
Oceanic Bank					
Gov Guam Employees Fed CU					
Short Term Investments	8,212,568.08	8,304,188.06	8,191,553.06	91,619.98	21,015.02
Account Receivable-Trade (Net)					
Accounts Receivable-Trade	8,402,668.37	8,205,325.56	9,593,182.03	197,342.81	1,190,513.66
Allow for Uncollectible Acct.	1,092,332.36	1,092,332.36	1,092,332.36		
A/R-Clearing Account					
Account Receivable-Trade (Net)	7,310,336.01	7,112,993.20	8,500,849.67	197,342.81	1,190,513.66
Accounts Receivable-Other					
Accounts Receivable-DOA					
Accounts Receivable-Employee	573.89	806.64	1,162.89	232.75	589.00
Accounts Receivable-FEMA Reimb					
Accounts Receivable-Geda/Casam					
Accounts Receivable-Other	668,539.30	255,007.75	330,021.46	413,531.55	338,517.84
Accounts Receivable-Ins Procee					
Accounts Receivable-Other	669,113.19	255,814.39	331,184.35	413,298.80	337,928.84
Marina Receivables					
Accounts Receivable-Agat Marina	25,134.92	26,291.63	28,067.36	1,156.71	2,932.44
Accounts Receivable-GDP Marina	6,206.84	6,086.83	5,775.58	1,120.01	431.26
Accounts Receivable-Harbor of	10,089.47	8,956.89	9,309.90	1,132.58	779.57

	Amount Current	Last Month End	Amount Last Year End	Change This Month	Change This Year
Marina Receivables	41,431.23	41,335.35	43,152.84	95.88	1,721.61-
Interest Receivables					
Bank of Guam					
Bank of Hawaii					
BankPacific					
Citibank					
Citizens Security Bank					
First Hawaiian Bank					
GovGuam Emp.Fed.Credit Union					
Oceanic Bank					
Other					
Interest Receivables					
Prepaid Expenses					
Prepaid Insurance	1,784,400.72	1,962,840.80	11,463.67	178,440.08-	1,784,400.72
Prepaid Expenses	80,532.83	88,968.25		8,435.42-	65,069.16
Prepaid Expenses	1,864,933.55	2,051,809.05	11,463.67	186,875.50-	1,853,469.88
Deferred Expenses					
Deferred Geda Addendum L/Lease					
Credit Note Reimbursement					
Deferred Expenses					
Current Assets					
Current Assets	21,003,601.23	20,630,478.99	19,370,144.74	373,122.24	1,633,456.49
Non Current Assets					
Long Term Receivable					
Long Term Receivable	2,258,190.48	2,258,190.48	2,258,190.48		
Long Term Receivable-DOA	1,420,449.90	1,490,449.90	1,490,449.90		
Long Term Receivable-Geda	3,748,640.38-	3,748,640.38-	3,748,640.38-		
Allow for Uncollectible LT A/R					
Long Term Receivable					
Gas, Oil and Diesel Inventory	41.31	55.08	759.98	13.77-	718.67-
Supplies Inventory	196,952.06	195,200.41	191,781.84	1,752.65	5,171.22
Contra-Asset Inventory Adj.	59,576.88-	59,716.55-	59,716.55-		
Allowance for Obsolescence					
Inventory for Survey					
Inventory	135,601.14	133,862.26	131,148.59	1,738.88	4,452.55
Work In Progress					
Const Work in Progr-Local	788,281.82	752,268.02	647,927.92	36,013.80	140,353.90
Const Work in Progr-Federal	16,662,018.28	15,300,860.47	15,271,591.53	1,361,137.81	1,390,426.75
Const Work in Progr-FMF					
Work In Progress	17,450,300.10	16,053,148.49	15,919,519.45	1,397,151.61	1,530,780.65
Non Current Assets	17,585,901.24	16,187,010.75	16,050,668.04	1,398,890.49	1,535,233.20

Property, Plant & Equipment	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Land	3,563,000.00	3,563,000.00	3,563,000.00		
Land-Cabras	3,563,000.00	3,563,000.00	3,563,000.00		
Land					
Buildings	17,094,797.53	17,094,797.53	17,094,797.53		
Buildings-Original					
Buildings-Substation Shelters	57,934,516.48	57,934,516.48	57,934,516.48		
Buildings-Wharf Improvements					
Buildings	75,029,314.01	75,029,314.01	75,029,314.01		
Accumulated Depreciation-Build	16,445,206.06	16,442,711.11	16,440,216.16	2,494.95	4,989.90
AccDeprec-Buildings-Original					
AccDeprec-Buildings-Sub Shelter	24,586,856.51	24,456,042.84	24,325,229.17	130,813.67	261,627.34
AccDeprec-Buildings-Wharf Impr					
Accumulated Depreciation-Build	41,032,062.57	40,898,753.95	40,765,445.33	133,308.62	266,617.24
Furnishings & Equipment					
Air Tools	488,574.71	488,574.71	488,574.71		
Communications Equip	1,165,419.81	1,165,419.81	1,165,419.81		
Computer Equip	25,770,681.93	25,770,681.93	25,770,681.93		
Crane Equip	1,466,323.11	1,466,323.11	1,466,323.11		
Forklift & Office Equip	3,431,331.00	3,431,331.00	3,431,331.00		
Forklift Equip	3,159,337.51	3,159,337.51	3,159,337.51		
Generator Relocation Cost	10,788.72	10,788.72	10,788.72		
Generator Sets					
Hand Tools	1,995.00	1,995.00	1,995.00		
Lead & Unload Equip	973,841.72	973,841.72	973,841.72		
Mowing Equip	12,974.46	12,974.46	12,974.46		
Other Equip					
Power Tools	262,873.62	262,873.62	262,873.62		
Safety Equip	1,680,739.97	1,680,739.97	1,680,739.97		
Shop Equip	1,694,566.00	1,694,566.00	1,694,566.00		
Tractors					
Vehicles & Motor Equip					
Furnishings & Equipment	36,397,247.26	36,397,247.26	36,397,247.26		
Accumulated Depreciation-Furni					
AccDeprec-Air Tools	224,766.21	219,052.90	213,339.59	5,713.31	11,426.62
AccDeprec-Communications Eqt.	1,017,274.61	1,012,846.68	1,008,423.52	4,423.29	8,851.86
AccDeprec-Computer Equip	7,327,486.84	7,126,362.06	6,927,305.28	197,124.29	394,249.56
AccDeprec-Crane Equip	1,011,112.37	1,003,442.04	995,472.41	7,669.62	15,336.44
AccDeprec-Forklift Equip	3,159,337.51	3,159,337.51	3,159,337.51		
AccAmbort-Gantry Relocation C	10,623.70	10,607.18	10,590.66	999.88	1,999.96
AccDeprec-Generator Sets					
AccDeprec-Hand Tools	1,995.00	1,995.00	1,995.00		
AccDeprec-Load & Unload Equip	647,229.74	637,905.42	628,581.10	9,324.32	18,648.64
AccDeprec-Mowing Equip	10,880.36	10,789.29	10,698.22	91.07	182.14
AccDeprec-Other Equip					
AccDeprec-Power Tools					

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
AccDeprec-Safety Equip	193,914.48	193,057.28	192,200.08	857.20	1,714.40
AccDeprec-Shop Equip	906,284.05	892,735.26	879,304.43	13,490.83	26,981.66
AccDeprec-Tractors	562,766.82	557,027.85	551,288.88	5,738.97	11,477.94
AccDeprec-Vehicles & Motor Equ					
Accumulated Depreciation-Furni	15,538,075.16	15,288,423.68	15,038,772.98	249,651.48	499,302.18
Capital Leases					
Capital Leases					
Accumulated Amortization-Capit					
AccAmort-Capital Leases					
Accumulated Amortization-Capit					
Property, Plant & Equipment	58,419,423.54	58,802,383.64	59,185,342.96	382,960.10	765,919.42
Total Assets	97,008,926.01	95,619,873.38	94,606,155.74	1,389,052.63	2,402,770.27
Total Liabilities & Capital					
Current Liabilities					
Accounts Payable					
Accounts Payable Custom					
Accounts Payable GSA					
Accounts Payable Others	2,168,124.01	2,905,550.49	2,247,603.19	737,466.48	79,479.18
Accounts Payable Trade	3,147,144.14	2,637,894.08	2,495,540.06	509,250.06	651,604.08
Received Not Vouchered	240.01	24,088.90		24,328.91	24,328.91
Accounts Payable	5,315,508.16	5,519,395.67	4,743,143.25	203,887.51	572,364.91
Current Loan Payable					
Current ANZ (USDA) Loan Payabl	147,728.25	162,286.68	176,254.43	14,558.43	28,526.18
CU ANZ (USDA) 12M Loan Payable	445,625.52	487,867.49	531,793.72	42,241.97	86,168.20
Current Loan Payable	593,353.77	650,154.17	708,048.15	56,800.40	114,694.38
Due to Public Utilities					
Due to CPA					
Due to GWA					
Due to GWA					
Due to Public Utilities					
Accrued Interest Payable					
Accrued Interest Payable					
Accrued Interest Payable					
Deferred Revenues					
Deferred Revenues - CEDA	61,769.01	61,769.01	61,769.01		
Deferred Revenues Leases	100,000.00	100,000.00	290,695.74		190,695.74
Deferred Revenues Marinas			7,854.70		7,854.70

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Deferred Revenues					
Deferred Revenues	38,230.99	38,230.99	237,301.43		199,070.44
Accrued Expenses					
Accrued Payroll	600,759.18	599,706.00	369,046.29	1,053.18	231,712.89
Accrued Vacation Pay-Current	1,078,016.87	1,067,514.25	1,063,409.56	10,502.62	14,607.31
Accrued Vacation Pay					
Accrued Fidelity Cost					
Accrued Ty/Supp/Cental					
Accrued Ty/Supp/Cental					
Accrued Medicare Tax					
Accrued Federal Tax					
Accrued Federal Grant	250,000.00	250,000.00	250,000.00		
Employee Insurance Payables	4,656.59	4,587.69	4,067.83	68.90	588.76
Employee Deductions Payable	266,497.24	245,090.51	150,509.89	21,406.73	115,987.35
Withholding Tax Payable					
Credit Union					
Accrued Miscellaneous Deductio					
Accrued Death & Disability Ins					
Retirement Contributions					
Deferred Compensation Plan Pay					
Accrued Expenses	2,199,929.88	2,166,898.45	1,837,033.57	33,031.43	362,896.31
Security Deposits					
Security Deposits - Space Leas	90,951.90	90,887.50	90,887.50	64.40	64.40
Security Deposits - Marinas	25,074.90	25,197.40	24,839.90	122.50	235.00
Security Deposits	116,026.80	116,084.90	115,727.40	58.10	299.40
Capital Lease Obligations- Cur					
Captl Lease Obligations-Curren					
Capital Lease Obligations- Cur					
Other Current Liabilities					
Reserve Shortage/Property Dama					
Lease Payable - GEDA					
Other Current Liabilities	8,263,049.60	8,490,764.18	7,641,253.80	227,714.58	621,795.80
Current Liabilities					
Non Current Liabilities					
Long Term Accrued Expenses					
Unfunded Retirement Contributi					
Accrued Vacation Pay-Long Term	296,903.82	296,903.82	296,903.82		
Accrued Sick Lve(DC) - Long Term	1,216,519.94	1,216,519.94	1,216,519.94		
Long Term Accrued Expenses	1,513,423.76	1,513,423.76	1,513,423.76		
Capital Lease Obligations					
Capital Lease Obligations					
Capital Lease Obligations					

	Amount Current	Last Month End	Last Year End	Change This Month	Change This Year
Long Term Loan Payables					
LT-ANZ (USDA) Loan Payable 3.5	2,860,883.44	2,860,883.44	2,860,883.44		
LT-ANZ (USDA) Loan Payable 12M	11,090,053.04	11,090,053.04	11,090,053.04		
Long Term Loan Payables	13,950,936.48	13,950,936.48	13,950,936.48		
Non Current Liabilities	15,464,360.24	15,464,360.24	15,464,360.24		
Capital Contributions & Equity					
Contributions-Local Government					
Contributions-Local Government	3,563,000.00	3,563,000.00	3,563,000.00		
Contributions-Property & Equip	483,688.19	483,688.19	483,688.19		
Contributions-Geopsp. Fund	13,413,670.45	13,413,670.45	13,413,670.45		
Contributions-GEPA	100,000.00	100,000.00	100,000.00		
Contributions-PAG (Portion of	7,000.00	7,000.00	7,000.00		
Contributions-Local Government	17,567,358.64	17,567,358.64	17,567,358.64		
Contributions-Federal Governme					
Contributions-U.S. Govt. Rehab	10,321,126.26	10,321,126.26	10,321,126.26		
Contributions-Economic Develo	1,492,676.57	1,492,676.57	1,492,676.57		
Contributions-U.S. Department	6,508,875.60	6,508,875.60	6,508,875.60		
Contributions-U.S. Govt-Fema	53,763.30	53,763.30	53,763.30		
Contributions-Federal Governme	18,376,441.73	18,376,441.73	18,376,441.73		
Accumulated Earnings					
Accumulated Earnings	22,953,260.99	22,953,260.99	22,953,260.99		
Accumulated Earnings (Deficit)	12,603,475.34	12,603,475.34	12,603,475.34		
Accumulated Earnings	35,556,736.33	35,556,736.33	35,556,736.33		
Net Earnings (Loss)	1,780,979.47	164,212.26	5.00	1,616,767.21	1,780,974.47
Capital Contributions & Equity	73,281,516.17	71,664,748.96	71,500,541.70	1,616,767.21	1,780,974.47
Total Liabilities & Capital	97,008,926.01	95,619,873.38	94,606,155.74	1,389,052.63	2,402,770.27

Port Authority of Guam
Accounts Payable Summary

Supplier	Supplier Name	Phone	Co	Balance Open	Current	91 - 120	90	61 - 90	Aging	121 - 0	Over
1485	Administrative Se		00050	1.00	2000.00						1.00
13627	Association of Pa	360 3525346	00050	2000.00	554754.25						
11674	AM Insurance	671 4172632/42MON	00050	256582.30	256582.30						
13770	Black Constructio	671 6454854/4204	00050	233.54							
13874	Calvo's Select Car	671 4726816	00050	738.73							
14831	Cash		00050	554.10							293.54
14391	Cruz, Patricia B.		00050	48.29							554.10
15056	DENOVO VENTURES(W		00050	7536.50							18.29
13372	Federal Reserve, B	877 4336686	00050	1400.00							1400.00
14030	Foremobe Crystal	800 5352663	00050	793.50							
13447	Gov't of Guam Ret	671 64939782	00050	32.64							6.20
13727	Gov't of Guam Ret		00050	145.11							28.87
14130	Government of Gua	671 4758951/2	00050	335.00							19.02
14529	Graphic Center, I	671 6234472/3	00050	334.29							
12951	Guam Home Center	671 2572968 (AGMT)	00050	121396.28							
14726	Guam Power Author	671 6777808 (ROSE)	00050	224825.73							126176.42
14715	GUMATATAO, SHAWN	671 4775931/EXT.26	00050	3890.00							
14752	H.P. Industrial Pr	671 6470345	00050	7824.90							
18882	I-Connect Revenue	671 8888888/88875	00050	7859.42							7.14
11889	Infernal	310 5414000	00050	3500.46							
13870	Iris MacLime Age	671 6498823	00050	2195.50							
13316	Island Celet's Gua	671 6233000/64923	00050	3610.50							
13914	ITC Services, Guam	671 3267993	00050	171.64							
12336	LAC STEEL SUPPLY	671 3275931/EXT. 20	00050	43.00							
7390	MARISTE MICHEL	671 4755931/2	00050	619450.18							
15176	MOPPHOTRUST, SHAN	202 6823848	00050	133249.75							
12516	N.C. Macario & As	671 6890901	00050	339.80							
12032	Office of the Att	671 6469111/3 (MYL)	00050	12927.13							
13194	Pacific Human Res	671 6376906/7/8	00050	805982.79							
14196	Phillips Hairdres	671 9884554 (MATH)	00050	268298.97							
14831	Public Utilities	671 4722231	00050	45.57							
14439	PNC Goodwill Fee	671 4721607	00050	4.00							
14132	PNC Iola Health S	671 6475201	00050	7550.00							
13593	Reaction Automot's	671 4737204	00050	27331.00							
10823	Reaction Supply C	671 4725251	00050	28477.30							
12987	South Pacific Eny	671 6497609 (SARAH)	00050	21064.43							
13030	South Pacific Pav	671 4728871 (OPERA)	00050	6219.59							
14860	STANDARD INSURANC	971 3412091	00050	1.00							
14124	Treasure Inf, Guam	671 6465825	00050	5935.36							
11983	Treasure Inf, Guam	671 5552300	00050	2482.35							
14642	Trustee Terminal	671 4726917	00050	2395.72							
15132	Vertel Company (I	610 6404200	00050	603.33							
11958	Workers Compensat	671 7278848	00050	1650.00							
14835	771 Tactical		00050	1650.00							

00050 Port Authority of Guam 3147144.14 2574892.01 256398.12 141024.53 174829.48

Port Authority of Guam
Accounts Payable Summary

Supplier	Supplier Name	Phone	Co	Balance	Open	Current	91	120	Aging	121	Over
				3147144.14	2574892.01	256398.12	141024.53				174829.48

Grand Total

174829.48

**PORT AUTHORITY OF GUAM
Budget Transactions**

In the January 31, 2013 board meeting, Acting General Manager requested authorization from the Board of Directors to allow management to lift quarterly budget and be able to transfer money within divisions budget to give them the flexibility to manage their division. The Board of Directors approved the above request provided that the request be documented and that the Board be informed. Therefore, below are the current transactions.

Budget Lifts:

Memo	Request	Acct. No.	Annual Budget	Committed	Adjusted Budget	Balance as of 11/30/13	Reason
10/1/2013	IT	670.8363	123,670		123,670	85,616	Process PO for JDE Software & Maint.
10/30/2013	Finance	675.8368	80,000		80,000	19,050	Process PO for Iconnects
10/29/2013	Safety	123.8366.SFTYEQPT	36,419		36,419	25,379	Bidding Process for safety shoes
11/4/2013	Maint	423.8114	40,000		40,000	3,459	Needed for future OT
11/4/2013	Maint	414.8366.SFTYEQPT	2,500	500	3,000	0	To process BPA
10/31/2013	Trans	330.8524	1,600		1,600	1,375	Needed due to petty cash for water
11/5/2013	Maint	414.8665.MACHINE	2,500	500	3,000	0	Needed to process BPA for machine shop
11/6/2013	Procurement	630.8665.ADV	8,000		8,000	352	Needed to process BPA for advertising
11/4/2013	Maint	411.8665.TIRE	3,000		3,000	0	Needed to process BPA for Tires & Repairs
11/14/2013	Maint	411.8665.HYDRA	2,500	2,000	4,500	0	Needed to process BPA for fabrication & repairs
11/6/2013	Commercial	650.8366.OFCEQPT	500		500	60	To purchase folding chairs
11/6/2013	Commercial	650.8521	2,100		2,100	1,420	To purchase ink for printer
11/6/2013	Maint	413.8665.AIR	10,000		10,000	4,000	Needed to process BPA for 2 vendors
11/7/2013	Maint	413.8665.Waste	30,000		30,000	18,000	Needed to process BPA for multiple vendors
11/7/2013	Maint	413.8665.Starter	5,000	4,000	9,000	0	Needed to process BPA
11/7/2013	Maint	413.8665.Tire	3,000	9,000	12,000	0	Needed to Process BPA
11/7/2013	Maint	413.8665.HYDRA	2,500	5,000	7,500	0	Needed to Process BPA
11/12/2013	Stevodore	312.8114	212,924		212,924	124,034	OT
11/13/2013	Maint	411.8366.SFTYEQPT	2,500		2,500	0	To process BPA
11/12/2013	Maint	413.8524	200,000	-18,000	182,000	154,587	Transferred To process BPA
11/12/2013	Engineer	640.8365	500		500	0	To process BPA for printing svcs
11/15/2013	System Mgr	670.8524	8,000		8,000	1,124	To purchase equipments
11/18/2013	Maint	411.8665.REWMOT	10,000		10,000	4,000	To process BPA
11/20/2013	Harbor Master	121.8366.OFCEQPT	2,000		2,000	1,862	To purchase office equipment
11/25/2013	Terminal	320.8114	100,000		100,000	59,853	Needed for OT

Divisional Transfers:

Memo	Division	From Acct. No.	To Acct. No.	Amount	Reason
11/4/2013	Maint	414.8524	414.8366.SFTYEQPT	500.00	Needed for BPA
11/5/2013	Maint	414.8524	414.8665.MACHINE	500.00	Needed for BPA
11/6/2013	Maint	411.8524	411.8665.HYDRA	2,000.00	Needed for BPA of hydraulic hoses
11/7/2013	Maint	413.8524	413.8665.Starter	4,000	To increase BPA for Starter
11/7/2013	Maint	413.8524	413.8665.TIRE	9,000	To increase BPA for Tire
11/7/2013	Maint	413.8524	413.8665.HYDRA	5,000	To increase BPA for Hydra

PORT AUTHORITY OF GUAM
Aging Summary Report
As of November 30, 2013

Acct	Customer Name	Balance Open	Current	Days Aging			Last Paid		Remarks	
				Over 90	Over 60	Over 30	Over 120	Amount		Date
7376	Matson Navigation Co.	\$ 4,708,940.53	\$ 776,887.36	\$ 10,442.75	\$ 6,953.78	\$ 511,147.38	\$ 858,831.90	12/24/2013	2nd notice letter acknowledged on Nov.21. Pymt of \$4,684,599.75 to date.	
10225	Mobil Oil Guam, Inc.	\$ 488,803.55	\$ 78,748.38			\$ 410,055.17	\$ 78,748.38	12/12/2013	CIP rebate \$299k (overdeducted from rev);Accr mgr comp \$185k to offset; Payment of \$226k to date.	
7350	Consolidated Transportation Services Inc.	\$ 1,027,807.89	\$ 732,926.96	\$ 5,348.61	\$ 13,305.26	\$ 271,075.95	\$ 16,674.88	12/12/2013	2nd notice letter acknowledged on Nov.21. Pymt of \$464k to date. Pending BOG confirmation of \$226k to date.	
7384	Marianas Steamship Agencies	\$ 508,826.53	\$ 393,974.43	\$ 1,512.35	\$ 773.86	\$ 112,565.89	\$ 111,044.52	12/23/2013	2nd notice letter acknowledged on Nov.22. Pymt of \$782.5k to date	
7413	Seabridge Inc.	\$ 149,773.87	\$ (13,463.84)	\$ 239.67	\$ 70,896.85	\$ 92,101.19	\$ 15,000.00	6/21/2013	Letter acknowledged by Ms. Bella requesting that payment be remitted by Nov.29. Result of non-payment will lead to suspension of credit	
14405	KVOG Broadcasting/MCS, LLC	\$ 54,637.16	\$ (0.16)	\$ 1,289.80	\$ 1,737.44	\$ 1,374.43	\$ 45.36	11/14/2012	final notice letter sent on 2/12/13. customer had discussed his concerns w/former Mgmt. and they were never resolved. Ms. Meryl Pecina is gathering information & will schedule a meeting w/tenant to table concerns for discussion.	
7368	Cabras Marine Corp	\$ 53,626.05	\$ (11,783.20)	\$ 8,507.08	\$ 6,505.84	\$ 5,894.13	\$ 10,503.24	12/19/2013	2nd notice letter acknowledged on Nov.21. Pymt of \$18k to date.	
14526	Cementon Micronesia, LLC	\$ 99,235.00		\$ 19,847.00	\$ 19,847.00	\$ 39,694.00	\$ 19,847.00	6/26/2012	Pending PAG BOD Approval letter for deferment from Commercial Div. Per email from Esther rental deferral extended by PAG BOD	
7106	Shell Guam, Inc.	\$ 44,850.00		\$ 1,950.00	\$ 1,950.00	\$ 39,000.00	\$ 1,950.00	11/4/2011	result of unpaid Petroco Lse since Jan.2012 need to flup w/Comm.Div.if this Lse was Terminated & assigned to some other Oil Co.	
7931	International Bridge Corp.	\$ 36,993.57				\$ 36,993.57	\$ 5,000.00	7/14/2011	per telecon w/Ms. Vicki. IBC's office has been in Kansas since Aug.2011. emailed POC Kimberly Smith for pymt status on 12/17/12. but to date have not gotten a response	
14171	Norton Lilly International	\$ 119,030.46	\$ 54,430.52	\$ 39,153.11	\$ 1,384.10	\$ 267.44	\$ 2,287.83	12/24/2013	2nd notice letter acknowledged on Nov.21. Pymt of \$5k to date. Pymt of \$60k to date.	
14602	IRC Maritime Services	\$ 17,945.24				\$ 17,945.24	\$ 500.00	10/28/2013	Preparing delinquent letter. defaulted on promissory note payment.	
12400	Renolith Resources	\$ 16,550.70		\$ 342.30	\$ 342.30	\$ 15,523.80	\$ 1,342.30	12/5/2012	final notice letter sent certified mail. Was returned to our office undeliverable on 10/28/13. Sources say the tenant may have left the island. Need to inform upper mgmt. and find out what the next action will be.	
9611	Ziskovsky, Michael J./Jan Z's Dock Shop	\$ 15,955.53		\$ 750.00	\$ 778.48	\$ 13,677.05			2nd notice letter sent on Nov.21. Preparing final notice letter for review & sig.	
8475	Sanko Bussan (Guam) Co, Ltd.	\$ 24,051.50	\$ 10,014.51	\$ 2,631.60	\$ 342.30	\$ 10,091.04	\$ 1,040.00	12/19/2013	CV#5010/5011 will be applied to aging rental fees.Lse.expired 7/2012	
13554	BKA Koku L.L.C.	\$ 9,923.41				\$ 9,923.41	\$ 2,400.00	9/30/2008	routed recommendation to write-off over 5 year aging uncollectable	
14967	Polaris Guam LLC/Wu, John	\$ 9,232.77				\$ 9,232.77	\$ 2,121.13	7/19/2013	2nd notice letter sent on Nov.21. Preparing final notice letter for review & sig.	
9911	Guam YTK Corporation	\$ 9,084.14				\$ 9,084.14	\$ 10.26	1/24/2011	with legal	
8547	Sun Bay Corp./Jan Z's Lounge	\$ 18,538.77		\$ 3,218.25	\$ 3,340.47	\$ 8,761.80	\$ 500,568.16	11/8/2013	2nd notice letter sent on Nov.21. Preparing final notice letter for review & sig.	
14444	Office of the Governor of Guam	\$ 106,101.44	\$ 101,073.13			\$ 5,028.31	\$ 500.00	12/5/2011	pending disbursement of fed funds from Treasurer of Guam	
14160	Bryan Keller	\$ 4,912.04				\$ 4,912.04	\$ 50.00	12/5/2011	Small Claims taken off the calendar. Recommendation to write-off as a bad debt emailed to Supervisor for review & approval.	
14384	Auto Marine Inc.	\$ 4,959.19	\$ 681.48	\$ 502.66	\$ 25.00	\$ 3,750.05	\$ 2,500.00	10/30/2013	promissory note	
14336	Cruz, Joseph L.	\$ 4,826.40	\$ 231.00	\$ 457.04	\$ 457.04	\$ 3,455.28	\$ 25.00	11/19/2013	Final notice letter acknowledged on 9/11/13.will ask Comm Div. to prepare a letter of default & eviction.Ms. Rita will flup w/John	
14542	Heavy Equipment Rental Options	\$ 4,581.18		\$ 579.60	\$ 3,421.98	\$ 90.28	\$ 90.28	12/23/2013	promissory note	

14560	Poll, Pederro H.	\$ 746.25	\$ 162.50	\$ 137.50				\$ 746.25	\$ 10.00	4/22/2009	Routed recommendation to write off...inactive tenant. aging over 4 years. Unsuccessful in contacting cust through phone(no svc/certified mail/returned)
14480	Moody, Mike	\$ 550.00						\$ 550.00			Routed recommendation to write off...inactive tenant. aging over 4 years. No contact no. on file. Mail returned not deliverable as addressed, unable to forward
14849	Triad International	\$ 471.00						\$ 471.00	\$ 140.00	4/3/2012	defaulted on p-note insufficient contact# on file. Preparing documents to file at Small Claims to collect fees due to us.
14922	Jack Michael	\$ 785.00	\$ 162.50	\$ 137.50			\$ 25.00	\$ 460.00	\$ 300.00	10/7/2013	2nd notice letter sent on Nov.21. Preparing final notice letter for review & sig.
14755	Marsono, Markus	\$ 405.50						\$ 405.50	\$ 50.00	9/11/2012	Routed recommendation to write off...Filed w/Small Claims on 6/22/12. SMALL CLAIMS Case No. SD0666-12 was assigned but was never addressed in court. Process server was unable to locate tenant and therefore filed a Declaration of Non-Service on 7/23/12. Mr. Marsono no longer resides at 150 Sunflower Machaonao Dededo and is no longer employees w/Bob's Nursery. Filing fee was \$36.00 and Process Server fee was \$25.00
14597	Topasna, Juan JP	\$ 363.98						\$ 363.98	\$ 5.02	11/12/2013	Delinquent letter came back insufficient address. Small Claims Case No. 0279-11 taken off calendar. Customer visited our office & promised to make a payment soon. Informed Ms.Rita.
13201	Guam Tropical Dive Station	\$ 316.29						\$ 316.29	\$ 430.36	11/26/2013	cust.disputing additional sec.dpst.
14537	Fredrick, Bruce & Dianne	\$ 1,079.64	\$ 251.16	\$ 251.16	\$ 276.16			\$ 301.16	\$ 502.32	9/9/2013	2nd notice letter sent on 11/21/13, preparing final notice letter for review & sig.customer promised to put ckt#1935,\$502.32. in the mail.
13727	Ross, Robert	\$ 600.00	\$ 137.50	\$ 137.50	\$ 25.00			\$ 300.00	\$ 300.00	9/18/2013	delinquent letter sent on 11/21/13 preparing 2nd notice letter for review & sig
14785	Howard, Lynette/John Regis	\$ 935.50	\$ 162.50	\$ 162.50	\$ 162.50		\$ 187.50	\$ 260.50	\$ 600.00	8/13/2013	as per Ms.Rita,Comm.Div.,Eviction ltr.being prepared for review & signature
14923	Shotguns	\$ 973.28	\$ 255.00	\$ 255.00	\$ 255.00			\$ 208.28	\$ 2,000.00	6/26/2013	2nd notice letter sent on 11/21/13, preparing final notice letter for review & signature
15062	Kondo, Etsuro	\$ 175.00						\$ 175.00	\$ 300.00	5/9/2013	Delinquent letter returned insufficient address, unable to forward will flip w/Comm.Div. (John LG)
15091	Helgenberger, Patrick	\$ 550.00	\$ 137.50	\$ 137.50	\$ 137.50			\$ 137.50	\$ 137.50	7/2/2013	delinquent letter sent on 11/21/13.preparing 2nd notice letter for review & signature
14741	Mario, Bruno	\$ 106.00						\$ 106.00	\$ 25.00	12/11/2013	Tries to make monthly pymts until his account is cleared. RE: Small Claims Case No. SD_0664-12.
14907	Taitano, John	\$ 84.00						\$ 84.00	\$ 21.00	12/10/2013	cust.says that boat was not in slip for past due months pending f/s & clarification from Mr. John L.G.(Comm.Div.)
14368	Tyco Electronics Subsea Co.	\$ 199.74	\$ 134.13					\$ 65.61	\$ 64.45	12/26/2013	pending credit on warehouse repairs. This credit will clear past due acct.
14968	Nguyen, Hoa Van	\$ 210.00	\$ 80.00	\$ 80.00				\$ 50.00	\$ 960.00	12/5/2013	delinquent letter sent on 11/21/13 preparing 2nd notice letter for review & signature
11756	V.Angoco's Trucking	\$ 42.78						\$ 42.78			need to credit customer for duplicate billing.preparing credit memo for review & approval.
14622	Singenes, Singeo I.	\$ 342.50	\$ 162.50		\$ 137.50			\$ 42.50	\$ 370.00	11/7/2013	delinquent letter sent on 11/21/13.preparing 2nd notice letter for review & signature
14381	Apra Dive & Marine Sports,	\$ 4,081.35	\$ 285.49	\$ 1,359.27	\$ 1,218.80		\$ 1,183.35	\$ 34.44	\$ 1,183.35	12/13/2013	delinquent letter sent on 11/21/13 preparing 2nd notice letter for review & signature
14436	John C. Aguon/Myung J. Park	\$ 175.00	\$ 50.00	\$ 50.00	\$ 50.00			\$ 25.00	\$ 50.00	7/12/2013	delinquent letter sent on 11/21/13.preparing 2nd notice letter for review & signature
14197	Parsons Brinckerhoff International	\$ (130.00)	\$ (190.00)		\$ 40.00			\$ 20.00	\$ 20.00	8/26/2013	
7341	Ambyth Shipping & Trading	\$ 275,423.59	\$ 265,605.25	\$ 9,801.40				\$ 16.94	\$ 29,849.39	12/20/2013	>120 days disputed. Acct.current as of 12/31/13
14778	JP&E Holding LLC	\$ (163,861.85)	\$ (163,863.22)					\$ 1.37	\$ 4,078.65	12/19/2013	

13044	Smithbridge Guam, Inc.	\$ 13,935.30	\$ 225.58	\$ 4,501.62	\$ 4,797.80	\$ 4,410.30	\$ 8,805.94	12/16/2013	delinquent letter sent on 11/21/13.preparing 2nd notice letter for review & signature
14949	Oka, Hiroyuki	\$ 437.50	\$ 137.50	\$ 137.50	\$ 137.50	\$ 25.00	\$ 275.00	8/19/2013	preparing delinquent letter for review and signature.
13202	Department of Administration	\$ 325,136.05	\$ 202,868.45		\$ 122,267.60		\$ 80.00	12/12/2013	pending disbursement of budgeted funds from Treasurer of Guam
14610	U.S. Department of Homeland Security	\$ 31,018.85	\$ 27,334.23		\$ 3,684.62		\$ 209,104.80	12/23/2013	pending disbursement of fed.funds from Homeland Sec.
14364	P.S.V. Corp./Joo, Gi Bum	\$ 4,458.37	\$ 913.67	\$ 2,027.35	\$ 1,517.35		\$ 6,786.36	11/26/2013	preparing delinquent letter for review and signature.
15097	Junsay, Lowell B.	\$ 436.75	\$ 137.50	\$ 137.50	\$ 161.75		\$ 174.00	12/6/2013	preparing delinquent letter for review and signature.
14485	Rains, Julian T.	\$ 410.00	\$ 137.50	\$ 137.50	\$ 135.00		\$ 58.64	12/12/2013	preparing delinquent letter for review and signature.
14124	Guam Fire Department	\$ 240.00	\$ 80.00	\$ 80.00	\$ 80.00		\$ 255.00	7/23/2013	pending disbursement of budgeted funds from Treasurer of Guam
14429	Weilbacher, Walden	\$ 125.00	\$ 50.00	\$ 50.00	\$ 25.00		\$ 250.00	9/5/2013	preparing delinquent letter for review & signature.
13874	Core Tech International	\$ 14.66			\$ 14.66		\$ 210.70	10/4/2013	preparing delinquent letter for review & signature.
14061	AR Sunriser Canteen/Catering Svcs.	\$ 586.54	\$ 14.67	\$ 571.87			\$ 220.00	12/2/2013	past due acct. cleared on 12/2/13.
8483	Scuba Company	\$ (1,358.70)	\$ (1,769.18)	\$ 410.48			\$ 5,961.10	12/24/2013	past due acct. cleared on 12/24/13
13641	M.A.Y. (Guam) Inc.	\$ 825.56	\$ 425.28	\$ 400.28			\$ 800.56	12/18/13	past due acct. cleared on 12/18/13.
15103	Collier, Ernest	\$ 440.00	\$ 220.00	\$ 220.00			\$ 210.70	10/4/2013	need to review tenants acct. dock was damaged.clarify fees w/COMM.DIV
14331	Frickel, Charles	\$ 440.00	\$ 220.00	\$ 220.00			\$ 85.56	3/15/2013	preparing delinquent letter for review & signature.
1490	Guam Telephone Authority	\$ 538.20	\$ 343.24	\$ 194.96			\$ 163.20	1/2/2014	need to review tenants acct. dock was damaged.clarify fees w/COMM.DIV
9620	Alupang Beach Club	\$ 740.37	\$ 564.45	\$ 175.92			\$ 586.54	12/18/2013	preparing delinquent letter for review & signature.
14534	Martin, Dwight	\$ 300.00	\$ 150.00	\$ 150.00			\$ 1,075.00	9/5/2013	acct.cleared on 12/18/13
15088	Shida, Paul H.	\$ 140.00	\$ 70.00	\$ 70.00			\$ 154.56	12/10/2013	preparing delinquent letter for review & signature.
9742	Duenas, Christopher M.	\$ 100.00	\$ 50.00	\$ 50.00			\$ 175.00	12/2/2013	preparing delinquent letter for review & signature.
14539	Hornet International Inc.	\$ -	\$ (45.14)	\$ 45.14			\$ 505.00	11/29/2013	acct.cleared on 12/02/13
14533	Brochon, Michael	\$ 80.00	\$ 40.00	\$ 40.00			\$ 200.00	12/20/2013	adv.pymt applied late. Acct.clear.
9726	Deckard, Robert	\$ 50.00	\$ 25.00	\$ 25.00			\$ 162.50	12/27/2013	acct. cleared on 12/20/13
14642	Tristar Terminals Guam, Inc.	\$ 390,791.50	\$ 390,791.49	\$ 0.01			\$ 232,449.31	12/18/2013	preparing delinquent letter for review & signature.
15122	Global Un Salvage Inc.	\$ 5,955.76	\$ 5,955.76				\$ 1,727.54	12/2/2013	
15106	MORPHOTRUST USA	\$ 2,318.00	\$ 2,318.00				\$ 325.00	11/7/2013	
10111	Maeda Pacific Corporation	\$ 1,190.21	\$ 1,190.21				\$ 25.00	12/24/2013	
14382	Sepety, Ulysess Y.	\$ 687.50	\$ 687.50				\$ 140.00	12/4/2013	
7763	Guam Dolphin's Marine Sports Club	\$ 542.42	\$ 542.42				\$ 80.00	10/24/2013	
11848	Fantasea Charters/Velez, A	\$ 535.00	\$ 535.00				\$ 137.50	11/25/2013	
15051	Isia Fishing & Diving, Inc	\$ 505.00	\$ 505.00				\$ 211.96	12/18/2012	
12446	Coam Trading (Guam) Co. Ltd.	\$ 467.01	\$ 467.01				\$ 137.50	12/5/2013	
13696	Lotus Pacifica Trading, Inc.	\$ 428.47	\$ 428.47				\$ 800.56	12/18/2013	
14503	Fox, Norman	\$ 330.02	\$ 330.02				\$ 245.00	9/16/2013	
15147	Herring, Jeremy T.	\$ 319.35	\$ 319.35				\$ 11,778.31	12/4/2012	
14636	Baldevarona, Egdar B.	\$ 220.00	\$ 220.00				\$ 625.00	2/25/2013	
12293	Bradford, William W.	\$ 220.00	\$ 220.00				\$ 2,106.59	4/3/2013	
11764	American Bureau of Shipping	\$ 213.74	\$ 213.74				\$ 220.00	10/29/2013	

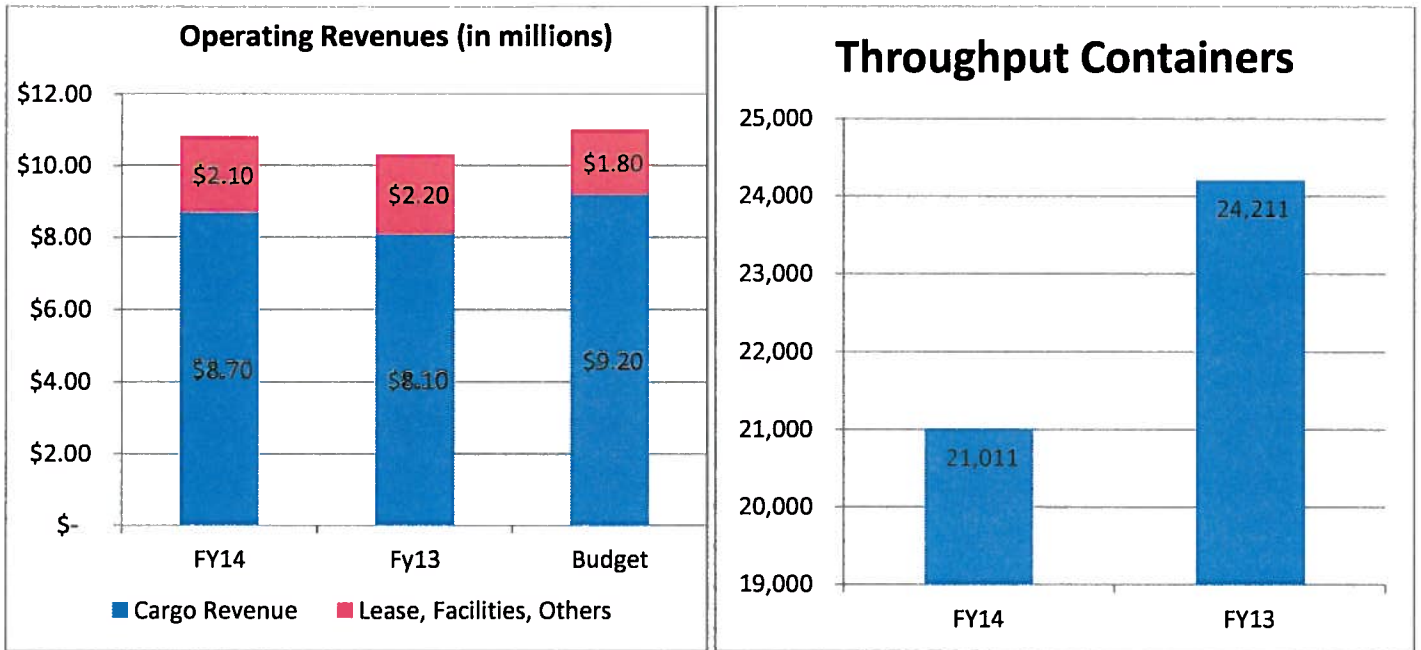
12895	Bell, James C. or Cynthia	\$	150.00	\$	150.00						\$	43.42	12/13/2011
14963	Castro, Jesse AR	\$	137.50	\$	137.50						\$	137.50	12/5/2013
14180	Coffman, Brent	\$	137.50	\$	137.50						\$	220.00	10/3/2013
15141	FRANCIS, Benjamin	\$	135.00	\$	135.00						\$	137.50	10/10/2013
10081	Landolt, Callum L.	\$	131.30	\$	131.30						\$	220.00	12/2/2013
14890	Roberts, Tom	\$	115.92	\$	115.92						\$	536.00	11/27/2013
13674	Coffman, John Randolph	\$	98.95	\$	98.95						\$	496.94	8/7/2013
15145	MOSA'S HOTBOT	\$	77.95	\$	77.95						\$	54.81	8/7/2013
13476	Isla Maritime Agency	\$	74.76	\$	74.76						\$	203.11	1/30/2013
12509	Hanley, Timothy F.	\$	52.50	\$	52.50						\$	137.50	7/22/2010
14656	McClelland, Terry/Enrique	\$	50.00	\$	50.00						\$	2.50	10/29/2013
14791	Fong, Francis L	\$	29.32	\$	29.32						\$	600.00	1/9/2013
9831	Fish Hook Inc.	\$	25.00	\$	25.00						\$	1,075.00	9/5/2013
14126	Margarita Charters	\$	25.00	\$	25.00						\$	2,053.00	10/29/2013
13537	Wang, Jackey	\$	15.20	\$	15.20						\$	137.50	11/25/2013
13913	Skoocumchuck Charters Inc.	\$	(0.30)	\$	(0.30)						\$	69.78	9/21/2012
14694	Go Nakane	\$	(0.50)	\$	(0.50)						\$		
1268	LUJAN, JOSEPH P.	\$	(2.40)	\$	(2.40)						\$	45.14	10/25/2013
14857	Hong Gi Chu (Sky)	\$	(2.50)	\$	(2.50)						\$	907.50	9/3/2013
12419	Nelson, Jeff G.	\$	(2.50)	\$	(2.50)						\$	6,786.36	11/26/2013
14465	Orion Construction Corporation	\$	(5.37)	\$	(5.37)						\$	412.50	10/14/2013
14317	KAYIO CORP	\$	(21.39)	\$	(21.39)						\$	270.78	12/12/2013
11615	Tsang Brothers Corporation	\$	(22.55)	\$	(22.55)						\$	300.00	12/6/2013
14523	Quinata, Frank	\$	(25.00)	\$	(25.00)						\$	174.00	12/6/2013
15028	J&C International, LLC	\$	(25.99)	\$	(25.99)						\$		
14005	Big Bird Enterprise, Inc.	\$	(27.50)	\$	(27.50)						\$	220.00	12/4/2013
9638	Asmuyao Community School	\$	(38.55)	\$	(38.55)						\$	300.00	11/14/2013
14914	Big 7 Pachinko	\$	(41.35)	\$	(41.35)						\$	115.92	12/23/2013
10778	Real World Diving	\$	(41.71)	\$	(41.71)						\$	504.00	3/12/2013
14771	Sun, Stephen	\$	(42.00)	\$	(42.00)						\$	695.52	3/4/2013
10516	Pacific Data System	\$	(43.43)	\$	(43.43)						\$	645.33	12/21/2012
11854	J.C. Marketing	\$	(45.13)	\$	(45.13)						\$	220.00	12/2/2013
13218	Guam Music Inc.	\$	(49.72)	\$	(49.72)						\$	275.00	11/18/2013
12851	Eric Bell or Daniel Ridlon	\$	(50.00)	\$	(50.00)						\$	510.00	12/23/2013
14666	Euh, Sol Y.	\$	(50.00)	\$	(50.00)						\$	220.00	12/5/2013
9849	Flores, William A.	\$	(50.00)	\$	(50.00)						\$	137.50	11/25/2013
13545	Perez, Vincent T.	\$	(50.00)	\$	(50.00)						\$	165.00	11/27/2013
14431	Quinata, Carlos/Amber Heritage Charters	\$	(50.00)	\$	(50.00)						\$	300.00	12/16/2013
12394	Wong, Billy	\$	(50.00)	\$	(50.00)						\$		

12353	Pacific Produce Corp	\$	(50.57)	\$	(50.57)					\$	17.59	10/24/2013
13312	California Mart	\$	(51.60)	\$	(51.60)					\$	300.00	12/6/2013
13495	BME & Son Inc./DB's Builders	\$	(51.98)	\$	(51.98)					\$	200.00	12/20/2013
8230	Ocean Care Company	\$	(54.81)	\$	(54.81)					\$	275.00	8/19/2013
12397	Cruz, John R.	\$	(80.00)	\$	(80.00)					\$	1,508.56	10/27/2011
9751	Duenas Roy P.	\$	(80.00)	\$	(80.00)					\$	625.00	1/24/2013
14210	Kaneshiro, Roger J., D.D.S	\$	(80.00)	\$	(80.00)					\$	303.00	10/15/2013
13653	Yu, Niko K.	\$	(80.00)	\$	(80.00)					\$	440.00	3/1/2013
13191	Paul SN. Agnon and Seo Jun	\$	(80.68)	\$	(80.68)					\$	50.00	12/12/2013
15096	International Bridge & Construction	\$	(84.10)	\$	(84.10)					\$	160.75	11/21/2013
14893	Cruz, Joseph R.	\$	(85.50)	\$	(85.50)					\$	275.00	10/31/2013
14122	Global Recycling Center	\$	(85.56)	\$	(85.56)					\$	138.00	11/22/2013
13536	Guam Lucky Strike, Inc./John Eads	\$	(87.50)	\$	(87.50)					\$	28.80	12/24/2013
12373	Beighley, Jim/Mark Baldyga	\$	(100.00)	\$	(100.00)					\$	880.00	11/7/2013
13089	Guam Fisherman's Cooperative	\$	(100.00)	\$	(100.00)					\$	525.88	1/19/2012
14582	Packbier, Paul E.R./PCR Guam	\$	(100.00)	\$	(100.00)					\$	50.00	11/29/2013
9540	Unitek Environmental Svcs	\$	(130.30)	\$	(130.30)					\$	500.00	12/24/2013
13527	Haft, John R.	\$	(134.80)	\$	(134.80)					\$	52.50	12/2/2013
13844	Hagen, William	\$	(134.80)	\$	(134.80)					\$	172,000.00	2/25/2013
14633	Eusebio, Ricardo B.	\$	(137.50)	\$	(137.50)					\$	560.00	11/27/2013
12335	Liberty, Lawrence D / Sandra	\$	(137.50)	\$	(137.50)					\$	2,719.07	12/16/2013
10701	Peterson, George N.	\$	(137.50)	\$	(137.50)					\$	275.00	11/4/2013
14150	PIER, KENNETH	\$	(137.50)	\$	(137.50)					\$	760.00	12/28/2012
14987	Smith, Brian J.	\$	(137.50)	\$	(137.50)					\$	8,805.94	12/16/2013
15040	Tyquiengco, Joseph T.	\$	(137.50)	\$	(137.50)					\$	412.50	9/30/2013
15135	Studer, Heinz	\$	(146.00)	\$	(146.00)					\$	184.00	12/19/2013
14878	Blasky Mark/Pauline	\$	(150.00)	\$	(150.00)					\$	220.00	10/10/2013
10743	Poppe, Edward/FISH INC	\$	(160.00)	\$	(160.00)					\$	25.99	12/24/2013
14776	MARAD	\$	(169.45)	\$	(169.45)					\$	1,320.00	7/17/2013
14811	Baumunk, Wayne/Coral Reef	\$	(188.61)	\$	(188.61)					\$	450.00	12/11/2013
14478	McCue, Michael R.	\$	(195.00)	\$	(195.00)					\$	150.00	11/15/2013
15054	Denman, Peter	\$	(206.25)	\$	(206.25)					\$	338.10	12/16/2013
15099	Williams, Michael E.	\$	(220.00)	\$	(220.00)					\$	220.00	12/4/2013
12424	Flores, Joaquin C.	\$	(221.72)	\$	(221.72)					\$	227.32	12/10/2013
14438	Genereux, Michael	\$	(221.72)	\$	(221.72)					\$	13,247.74	10/22/2013
9697	Camacho, Antonio Frank C.	\$	(240.00)	\$	(240.00)					\$	725.86	12/2/2013
11971	Coral Reef Marine Center	\$	(245.77)	\$	(245.77)					\$	160.00	9/12/2013
14029	CRW TRADING INC.	\$	(259.69)	\$	(259.69)					\$	137.50	12/4/2013
10461	Ocean Jet Club	\$	(302.50)	\$	(302.50)					\$	550.00	11/12/2013

14875	Best, Bruce	\$ (329.98)	\$ (329.98)	\$ (329.98)					\$ 125.00	12/6/2012	
14932	LONGLEY, CHARLES	\$ (354.80)	\$ (354.80)	\$ (354.80)							
15032	Pacific Marine Enterprises	\$ (370.94)	\$ (370.94)	\$ (370.94)					\$ 155.00	6/15/2012	
14587	Moore, James	\$ (412.50)	\$ (412.50)	\$ (412.50)					\$ 1,728.00	12/18/2013	
13607	S.H. Enterprises	\$ (428.85)	\$ (428.85)	\$ (428.85)					\$ 5,961.10	12/24/2013	
14443	Moritz, Lance	\$ (450.00)	\$ (450.00)	\$ (450.00)							
10217	Mars, Thomas Z.	\$ (539.86)	\$ (539.86)	\$ (539.86)					\$ 50.00	12/4/2013	
15123	OKADA, AKIRA	\$ (550.00)	\$ (550.00)	\$ (550.00)					\$ 504.71	8/30/2013	
14409	Robinson, Merle Ann	\$ (624.00)	\$ (624.00)	\$ (624.00)					\$ 1,203.79	10/23/2013	
14290	DGX	\$ (677.07)	\$ (677.07)	\$ (677.07)					\$ 175.00	12/2/2013	
1487	Guam Federation of Teacher	\$ (859.00)	\$ (859.00)	\$ (859.00)					\$ 600.00	1/30/2013	
9208	PTI Pacific, Inc. DBA:IT&E	\$ (3,385.24)	\$ (3,385.24)	\$ (3,385.24)					\$ 137.50	12/23/2013	
13509	Horizon Lines	\$ (12,198.40)	\$ (12,198.40)	\$ (12,198.40)					\$ 84.10	7/9/2013	
13030	South Pacific Petroleum Co	\$ (28,864.01)	\$ (28,864.01)	\$ (28,864.01)					\$ 511.69	12/11/2013	
12511	Hanson Permanente Cement of Guam	\$ (69,662.16)	\$ (69,662.16)	\$ (69,662.16)					\$ 140.00	5/2/2013	
14909	Propacific Builder Corporation	\$ -	\$ -	\$ -					\$ 0.16	12/27/2012	
		\$ 8,414,764.00	\$ 2,789,821.10	\$ 513,304.29	\$ 193,322.30	\$ 134,505.82	\$ 1,783,810.49				
				Over 30	Over 60	Over 90	Over 120				
				Days Aging							

Financial Highlights – YTD December FY2014

Operating Performance:



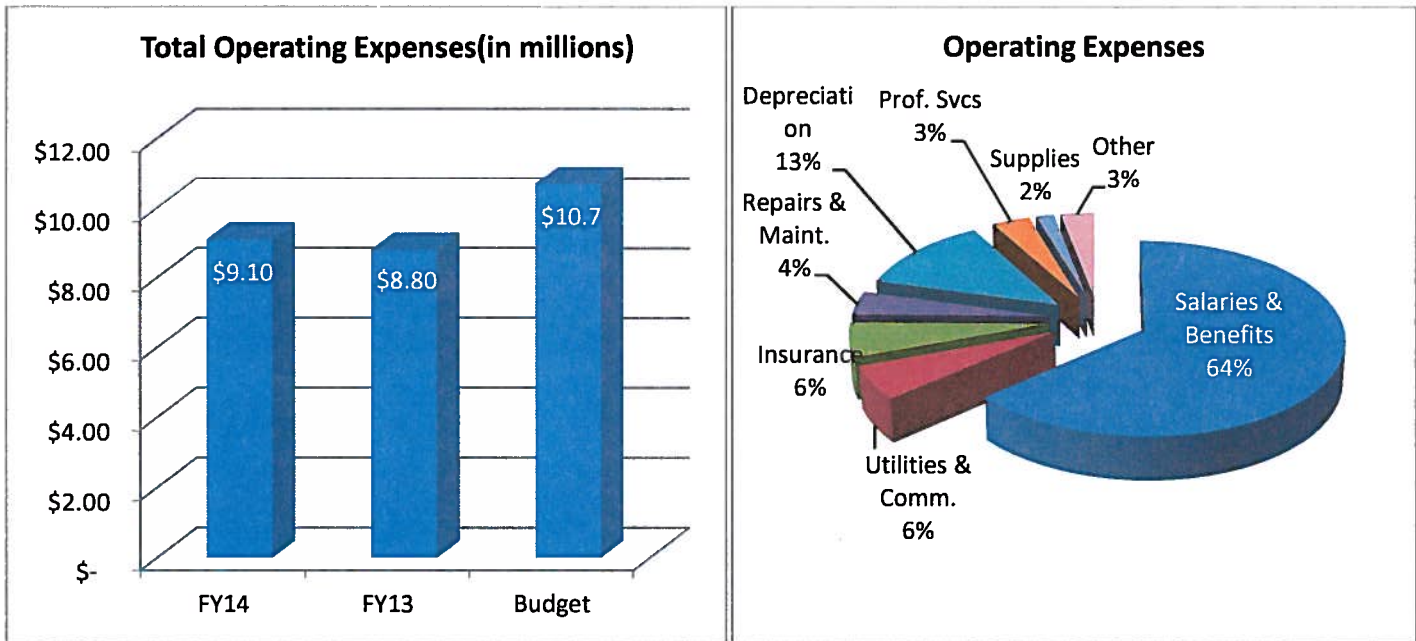
Total Operating Revenues as of December 2013 was \$10.8 million, which consist of \$8.7 million in cargo revenues and \$2.1 million in Facilities, Leases, and Other Services.

FY14 YTD cargo revenue is 7% higher than last year's total (\$8.1mil) and 6% lower than Budget (\$9.2 mil).

FY14 YTD Facilities, Leases, and Other Services as of December is 4% lower than last year (\$2.2 mil) and 16% higher than budget (\$1.8 mil).

Overall Operating Revenues as of December is 2% lower than Budget (\$11 mil) and 5% higher than last year's year to date December (\$10.3 mil).

Total number of containers handled as of December 2013 was 21,011 which is 13% lower compared to last year December total 24,211.



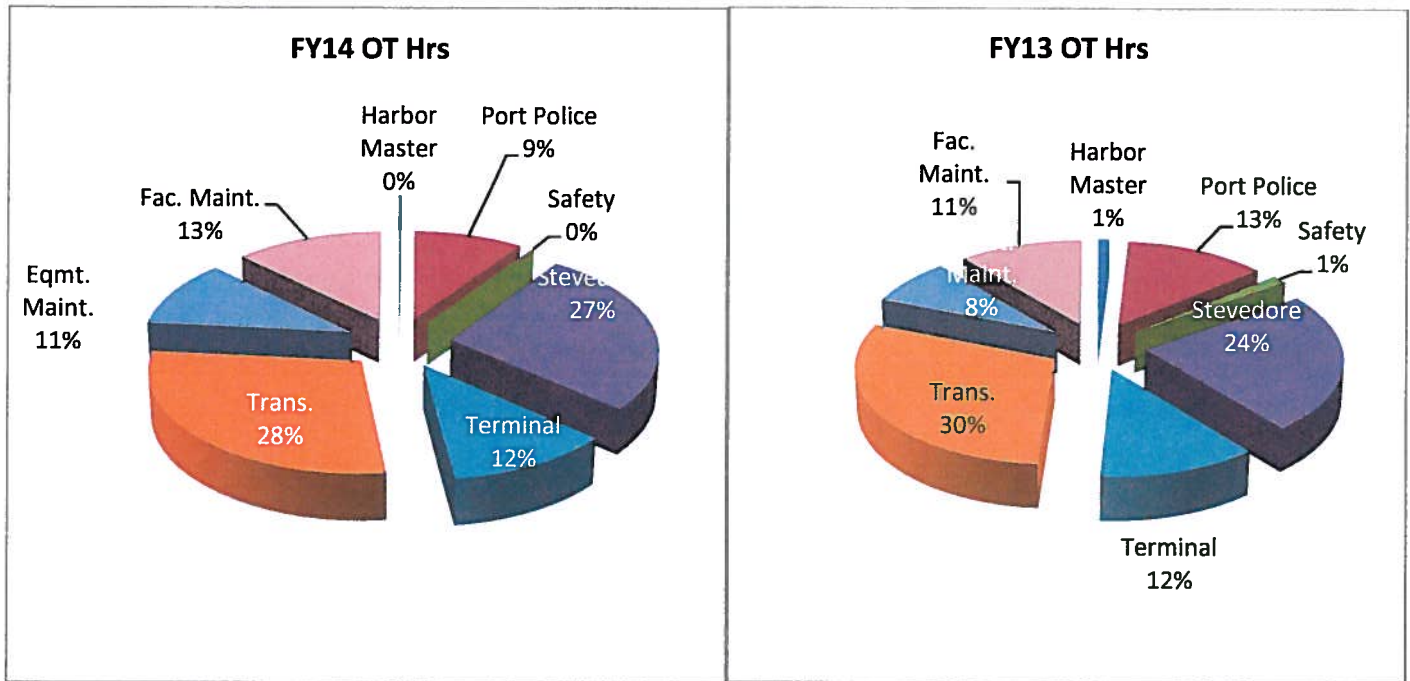
Total Operating Expenses as of December 2013 was \$9.1 million, which is 15% lower than Budget (\$10.7 mil) and 3% higher than last year's total operating expenses (\$8.8 mil).

Total Overtime as of December 2013 was \$357 thousand which is 3% higher than last year December (\$347k). Direct Labor Revenue as of December was \$632 thousand, which is 16% lower than last year and 1% lower than budget. Direct Labor charges are for services performed by Port employees under special service request and differentials under the throughput.

Below is the breakdown of overtime for each division/section for FY14 and FY13 as of December:

Sections	FY2014	FY2013	Budget	OT/HOL Revenue
Harbor Master	322	3,418	1,667	0
Port Police	33,588	44,794	16,667	13,782*
Safety	116	4,791	2,000	0
Stevedore-Cargo Handling	91,371	78,144	35,487	64,521
-Rigger	4,541	4,477	2,500	3,779
Terminal	41,502	41,376	16,667	57,740
Trans-Superintendent	18,721	15,279	13,417	0
-Crane Operators	26,176	28,590	16,917	14,541
-Equipment Oper.	50,685	53,280	25,667	60,253
-Dispatcher	5,834	6,702	2,333	0
Maint.-Crane Maint.	24,286	15,375	13,648	0
-Preventive Maint.	9	863	3,333	0
-Fleet Maint.	11,365	8,057	7,500	0
-Welders	2,983	3,407	9,167	0
Facility Maint.-Building	1,756	1,180	1,833	426
-Elect./Refr.	43,706	37,782	6,667	0
TOTAL	356,960	347,515	175,469	215,042

*Port Police OT Revenue is due to Passenger Vessels or under special service request. Electricians revenue is due to special service requests.



Year to date Operating Revenues minus the Year to date Operating Expenses resulted to an Operating Income of \$1.7 million as of December 31, 2013.

Non Operating Revenues and Expenses consist of the following: \$320k-Retirement contribution for COLA, Supplemental and Medical/Dental/Life Insurance expenses, \$221k-Interest expense on loans, \$1.2M-Federal Reimbursements and \$122k Interest Income. The net total of non operating expenses and revenues as of December is a positive \$774k.

The Total Net Income as of December is \$2.5 million.

Accounts Receivable Trade (net) as of December 31, 2013 is \$5.3 million.

Agging Status is a follows: 73% - Current, 3% - over 30 days, 1% - over 60 days, 1 - over 90 days and 21% - over 120 days.

Accounts Payable Trade as of December 31, 2013 is \$2.1 million which is 34% lower than last month ending balance of \$3.1 million.

**Port Authority of Guam
Income Statement
With Budget Comparison (Unaudited)
3 Months Ending 12/31/13**

Current Month Actual	%	Last Year Actual	%	Budget	%	Chng	Year to Date		Last Year to Date		%	Chng	Budget	%	Chng
							Actual	%	Actual	%					
OPERATING REVENUES															
CARGO THROUGHPUT REVENUES															
384,384	11.1	532,727	15.6	613,949	-37.4		1,161,121	10.7	1,657,841	16.0	-30.0	1,841,847	-37.0		
919,559	26.5	841,781	24.6	843,181	9.1		2,941,220	27.1	2,728,691	26.4	7.8	2,529,543	16.3		
72,813	2.1	76,207	2.2	54,446	33.7		191,472	1.8	151,686	1.5	26.2	163,338	17.2		
9,437	0.3	1,534	0.0	961	882.0		10,800	0.1	1,770	0.0	510.2	2,883	274.6		
	0.0		0.0		0.0			0.0		0.0	0.0		0.0		
46,404	1.3	86,174	2.5	43,056	7.8		110,242	1.0	190,079	1.8	-42.0	129,168	-14.7		
3,386	0.1	26,603	0.8	9,243	-63.4		11,770	0.1	38,534	0.4	-69.5	27,729	-57.6		
3,584	0.1	2,198	0.1	2,037	75.9		982	0.0	4,424	0.0	-77.8	6,111	-83.9		
82	0.0	70	0.0	2,178	-96.2		123	0.0	1,095	0.0	0.0	6,534	0.0		
6,400	0.2	6,500	0.2	9,069	-29.4		23,200		23,850			27,207	0.0		
1,446,048	41.6	1,573,794	46.0	1,578,120	-8.4		4,450,931	41.0	4,797,971	46.4	-7.2	4,734,360	-6.0		
CARGO THROUGHPUT RELATED REVENUES															
2,602	0.1		0.0	948	0.0		7,230	0.1		0.0	0.0	2,844	0.0		
14,718	0.4	2,664	0.1	6,952	111.7		28,214	0.3	24,146	0.2	16.8	20,856	35.3		
	0.0		0.0		0.0			0.0		0.0	0.0		0.0		
128,815	3.7	176,138	5.1	194,222	-33.7		428,921	4.0	612,879	5.9	-30.0	582,666	-26.4		
7,586	0.2	20,982	0.6	16,363	-53.6		21,596	0.2	49,499	0.5	-56.4	49,089	-56.0		
128	0.0	716	0.0	390	0.0		513	0.0	844	0.0	0.0	1,170	-56.2		
2,596	0.1	2,107	0.1	2,851	-9.0		8,239	0.1	7,185	0.1	14.7	8,553	-3.7		
8,085	0.2	8,175	0.2	8,303	0.0		25,185	0.2	26,805	0.3	0.0	24,909	0.0		
190,040	5.5	269,807	7.9	212,890	-10.7		632,113	5.8	755,082	7.3	-16.3	638,670	-1.0		
14,579	0.4	12,889	0.4	12,808	13.8		60,000	0.6	34,563	0.3	73.6	38,424	56.2		
20,857	0.6	37,431	1.1	29,424	-29.1		77,721	0.7	95,720	0.9	-18.8	88,272	-12.0		
341,513	9.8	382,255	11.2	369,329	-7.5		1,074,059	9.9	1,158,318	11.2	-7.3	1,107,987	-3.1		
41,046	1.2	45,495	1.3	48,975	-16.2		131,392	1.2	148,195	1.4	-11.3	146,925	-10.6		
11,944	0.3	15,332	0.4	15,088	-20.8		39,357	0.4	48,928	0.5	-19.6	45,264	-13.1		
111,418	3.2	135,135	3.9	125,345	0.0		347,514	3.2	399,904	3.9	-13.1	376,035	-7.6		
458,436	13.2		0.0	459,360	0.0		1,406,431	13.0		0.0	0.0	1,378,080	2.1		
1,354,364	39.0	1,109,126	32.4	1,503,248	-9.9		4,288,485	39.5	3,362,070	32.5	27.6	4,509,744	-4.9		
2,800,412	80.6	2,682,919	78.4	3,081,368	-9.1		8,739,416	80.5	8,160,040	78.9	7.1	9,244,104	-5.5		

**Port Authority of Guam
Income Statement
With Budget Comparison (Unaudited)
3 Months Ending 12/31/13**

	Current Month			Last Year			Year to Date			Last Year to Date		
	Actual	%	Chng	Actual	%	Chng	Actual	%	Chng	Actual	%	Chng
NON OPERATING REVENUES												
FACILITIES												
FACILITIES USAGE MOBIL	90,708	2.6	0.0	90,520	2.6	0.0	267,695	2.5	0.0	262,547	2.5	0.0
FACILITIES USAGE TRISTAR	303,749	8.7	0.0	176,969	5.2	0.0	882,677	8.1	0.0	627,170	6.1	0.0
FACILITIES USAGE SPACE RENTAL	85,684	2.5	8.3	106,456	3.1	0.0	363,355	3.3	22.5	296,650	2.9	0.0
FACILITIES LEASE INCOME	92,105	2.6	-1.3	115,661	3.4	0.0	118,106	1.1	-59.2	289,710	2.8	53.1
FACILITIES COMMON AREA MAINTENANCE FEE	5,638	0.2	-3.1	5,881	0.2	0.0	16,914	0.2	-4.1	17,643	0.2	-3.1
FACILITIES SECURITY SURCHARGE RENTAL	2,896	0.1	-15.6	3,433	0.1	0.0	9,994	0.1	-13.4	11,544	0.1	3.0
MARINA REVENUES	20,041	0.6	-2.0	20,183	0.6	0.0	60,186	0.6	-1.3	60,974	0.6	-1.9
HARBOR OF REFUGE	4,281	0.1	-5.5	4,292	0.1	0.0	12,290	0.1	-2.9	12,659	0.1	-9.6
DEMURRAGE	52,448	1.5	0.0	179,797	5.3	0.0	254,805	2.3	-47.8	488,492	4.7	0.0
	657,549	18.9	15.5	703,658	20.6	0.0	1,986,022	18.3	-3.9	2,067,389	20.0	16.3
OTHER FEES & SERVICES												
CLAIMS FEE	0.0	0.0	0.0	0.0	0.0	0.0	13,873	0.1	0.0	0.0	0.0	0.0
BULK SCRAP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,681	0.0	534
MATERIAL USED	0.0	0.0	0.0	1,492	0.0	0.0	6,839	0.1	-67.7	21,191	0.2	-50.3
PASSENGER SERVICE	1,611	0.0	0.0	5,136	0.2	0.0	4,206	0.0	-56.0	9,562	0.1	-44.3
BUNKER	9,591	0.3	-60.8	2,096	0.1	0.0	26,645	0.2	-29.3	37,691	0.4	-63.7
SPECIAL SERVICES	11,908	0.3	0.0	11,139	0.3	0.0	36,287	0.3	-21.5	46,218	0.4	0.0
ELECTRICAL POWER				14,352	0.4	0.0						
	23,110	0.7	-27.3	34,215	1.0	0.0	87,851	0.8	-24.5	116,343	1.1	-7.8
ADMINISTRATIVE FEES & SERVICES												
REIMBURSEMENTS	2,040	0.1	0.0	1,025	0.0	0.0	5,762	0.1	156.9	2,243	0.0	0.0
FEDERAL REIMBURSEMENT	(6,661)	-0.2	0.0	4,417	0.0	0.0	30,839	0.3	0.0	0.0	0.0	0.0
EARTHQUAKE INSURANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TYPHOON INSURANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
OTHER REIMBURSEMENT	0.0	0.0	0.0	0.0	0.0	0.0	2	0.0	4	4	0.0	0.0
REVENUE MINIMUM CHARGE	2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	(6,659)	-0.2		4,417	0.0		30,841	0.3	0.0	4	0.0	0.0
NON OPERATING REVENUES	676,040	19.4	11.4	738,897	21.6	0.0	2,110,477	19.5	-3.5	2,185,980	21.1	15.9
TOTAL REVENUES	3,476,452	100.0	-5.7	3,421,817	100.0	0.0	10,849,893	100.0	4.9	10,346,020	100.0	-1.9

**Port Authority of Guam
Income Statement
With Budget Comparison (Unaudited)
3 Months Ending 12/31/13**

	Current Month			Last Year			Year to Date			Last Year to Date		
	Actual	%	Chng	Actual	%	Chng	Actual	%	Chng	Actual	%	Chng
INDIRECT COSTS												
General & Administrative Expen												
Salaries & Wages	(1,291,150)	-37.1	-10.2	(1,206,243)	-35.3	-10.2	(3,889,711)	-35.9	-10.7	(3,880,730)	-37.5	-9.8
Insured Benefits	(109,070)	-3.1	14.7	(96,322)	-2.8	14.7	(321,429)	-3.0	14.7	(301,022)	-2.9	12.7
Retirement Benefits	(403,321)	-11.6	1.2	(365,026)	-10.7	1.2	(1,203,215)	-11.1	1.2	(1,152,772)	-11.1	0.7
Other Benefits	(111,993)	-3.2	0.0	(91,637)	-2.7	0.0	(319,011)	-2.9	0.0	(306,105)	-3.0	4.2
Other Personnel Costs	(41,272)	-1.2	0.0	(11,143)	-0.3	0.0	(41,272)	-0.4	0.0	(677)	0.0	5995.8
Communications	(6,623)	-0.2	0.0	(8,500)	-0.2	0.0	(17,706)	-0.2	0.0	(25,156)	-0.2	-29.6
Leases/Rentals		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0
Utilities	(157,388)	-4.5	0.0	(231,115)	-6.8	0.0	(499,941)	-4.6	0.0	(628,141)	-6.1	-20.4
General Insurance	(215,940)	-6.2	0.0	(167,202)	-4.9	0.0	(572,820)	-5.3	0.0	(501,606)	-4.8	14.2
Repairs & Maintenance		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0
Repairs & Maintenance-Subic Cr	(20,332)	-0.6	-66.4	(37,911)	-1.1	-66.4	(36,256)	-0.3	-66.4	(66,022)	-0.6	-45.1
Repairs & Maintenance-Pola 14	(138,282)	-4.0	0.0	(142,765)	-4.2	0.0	(201,791)	-1.9	0.0	(458,346)	-4.4	-56.0
Repairs & Maintenance-Pola 16	(10,304)	-0.3	0.0			0.0	(42,551)					
Repairs & Maintenance-Pola 17	(10,304)	-0.3	0.0			0.0	(43,357)					
Depreciation & Amortization	(389,965)	-11.2	0.0	(310,226)	-9.1	0.0	(1,155,884)	-10.7	0.0	(928,310)	-9.0	24.5
Damage, Shortage, Writedown & Supplies	(49,577)	-1.4	0.0	(68,680)	-2.0	0.0	(149,694)	-1.4	0.0	(3,050)	0.0	-100.0
Miscellaneous	(3,211)	-0.1	-62.1	(3,021)	-0.1	-62.1	(8,832)	-0.1	-62.1	(6,458)	-0.1	36.8
Advertising		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0
Agency & Management Fees	(63,032)	-1.8	0.0	(37,800)	-1.1	0.0	(184,418)	-1.7	0.0	(128,336)	-1.2	43.7
Professional Services	(104,357)	-3.0	-48.3	(70,741)	-2.1	-48.3	(300,159)	-2.8	-48.3	(202,076)	-2.0	48.5
Contractual Services		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0
Other Contractual Services	(392)	0.0	-98.7	(4,766)	-0.1	-98.7	(12,440)	-0.1	-98.7	(37,856)	-0.4	-67.1
Other Expenses	(9,809)	-0.3	0.0	(3,998)	-0.1	0.0	(22,074)	-0.2	0.0	(10,302)	-0.1	114.3
Earthquake Expense		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0
Typhoon Expense	(3,167)	-0.1	0.0		0.0	0.0	(60,332)	-0.6	0.0		0.0	0.0
Earthquake Expense		0.0	0.0		0.0	0.0		0.0	0.0		0.0	0.0
General & Administrative Expen	(3,149,792)	-90.6	-12.0	(2,857,095)	-83.5	-12.0	(9,125,393)	-84.1	-85.5	(8,842,692)	-85.5	3.2
												-15.0

**Port Authority of Guam
Income Statement
With Budget Comparison (Unaudited)
3 Months Ending 12/31/13**

	Current Month		Last Year		Budget		% Chng		Year to Date		Last Year to Date		% Chng		
	Actual	%	Actual	%	Budget	%	Budget	%	Actual	%	Actual	%	Budget	%	Chng
	326,661	9.4	564,721	16.5	110,713	195.1			1,724,499	15.9	1,503,328	14.5	332,139	14.7	419.2
OPERATING INCOME (LOSS)															
OTHER INCOME (EXPENSE)															
Other Income & Expense						0.0									
Other Income		0.0		0.0		0.0					5			0.0	
Interest Income		0.0		0.0		0.0								0.0	
Interest Income		0.0		0.0		0.0								0.0	
Interest Income	74,761	2.2	18,641	0.5	17,329	0.8			122,785	1.1	16,495	0.2	51,987	644.4	136.2
Interest Expense-USA	(72,998)	-2.1	(16,824)	-0.5	(94,390)	0.8			(221,255)	-2.0	(50,134)	-0.5	(283,170)	341.3	
Other Expense		0.0	(382)	0.0	(125)	0.0			(21,201)	-0.2	(390)	0.0	(375)	0.0	
Retirement Govt Contribution	(106,830)	-3.1	(27,491)	-0.8	(184,850)	0.0			(320,674)	-3.0	(82,231)	-0.8	(554,550)	290.0	
Federal Reimbursement	498,336	14.3	47,847	1.4	(9,000)	0.0			1,209,481	11.1	256,508	2.5	(27,000)	371.5	
Federal Expenses	(1,520)	0.0	(3,701)	-0.1	(16,667)	0.0			5,747	0.1	(7,050)	-0.1	(50,001)	0.0	
Gain <Loss> on Asset Disposals		0.0		0.0		0.0				0.0				0.0	
Other Income & Expense	391,748	11.3	18,090	0.5	(287,703)	-236.2			774,884	7.1	133,203	1.3	(863,109)	481.7	-189.8
OTHER INCOME (EXPENSE)	391,748	11.3	18,090	0.5	(287,703)	-236.2			774,884	7.1	133,203	1.3	(863,109)	481.7	-189.8
NET INCOME (LOSS)	718,409	20.7	582,811	17.0	(176,990)	-505.9			2,499,383	23.0	1,636,531	15.8	(530,970)	52.7	-570.7

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Total Assets					
Current Assets					
Cash on Hand	2,000.00	2,000.00	2,000.00		
Petty Cash Fund	1,100.00	1,100.00	100.00		
Cashier Change Fund	2,100.00	2,100.00	2,100.00		
Cash on Hand					
Incentive Award Fund					
First Hawaiian Bank-Incentive					
Incentive Award Fund					
Cash in Bank					
First Hawaiian Bank	1,329,816.55	488,646.18	866,835.46	841,170.37	462,981.09
Bank of Guam	2,415,100.56	2,414,472.99	1,423,005.69	627.57	992,094.87
Bank of Hawaii	3,744,917.11	2,903,119.17	2,289,841.15	841,797.94	1,455,075.96
Citizen Security Bank					
Cash in Bank					
Short Term Investments					
Bank of Guam	9,313,138.65	1,449,955.52	1,436,847.13	7,863,183.13	7,876,291.52
Citizen's Security Bank					
First Hawaiian Bank					
BankPacific					
CitiBank					
Bank of Hawaii					
Oceanic Bank					
Gov Guam Employees Fed CU					
Short Term Investments	9,313,138.65	8,212,568.08	8,191,553.06	1,100,570.57	1,121,585.59
Account Receivable-Trade (Net)					
Accounts Receivable-Trade	6,465,429.26	8,402,568.37	9,593,182.03	1,937,239.11	3,127,752.77
Allow for Uncollectible Acct.	1,092,332.36	1,092,332.36	1,092,332.36		
A/R-Clearing Account					
Account Receivable-Trade (Net)	5,373,096.90	7,310,336.01	8,500,849.67	1,937,239.11	3,127,752.77
Accounts Receivable-Other					
Accounts Receivable-DOA					
Accounts Receivable-Employee	27.72	573.89	1,162.89	546.17	1,135.17
Accounts Receivable-FEMA Reimb					
Accounts Receivable-Geda/Casam	494,903.58	668,539.30	330,021.46	173,635.72	164,882.12
Accounts Receivable-Other					
Accounts Receivable-Ins Procee					
Accounts Receivable-Other	494,931.30	669,113.19	331,184.35	174,181.89	163,746.95
Marina Receivables					
Accounts Receivable-Agat Marin	27,500.72	25,134.92	28,057.36	2,355.80	566.64
Accounts Receivable-GDP Marina	6,276.84	6,206.84	5,775.58	70.00	501.26
Accounts Receivable-Harbor Of	10,906.08	10,089.47	9,309.90	816.61	1,596.18

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Marina Receivables	44,683.64	41,431.23	43,152.84	3,252.41	1,530.80
Interest Receivables					
Bank Of Guam					
Bank Of Hawaii					
Bank Pacific					
Citi Bank					
First Hawaiian Bank					
Gov. Guam Emp. Fed. Credit Union					
Oceanic Bank					
Other					
Interest Receivables					
Prepaid Expenses	1,605,960.64	1,784,400.72	11,463.67	178,440.08	1,605,960.64
Prepaid Insurance	116,123.97	80,532.83		35,591.14	1,104,660.30
Prepaid Expenses	1,722,084.61	1,864,933.55	11,463.67	142,848.94	1,710,620.94
Deferred Expenses					
Deferred Ceda Addendum I/Lease					
Credit Note Reimbursement					
Deferred Expenses					
Current Assets	20,694,952.21	21,003,601.23	19,370,144.74	308,649.02	1,324,807.47
Non Current Assets					
Long Term Receivable	2,258,190.48	2,258,190.48	2,258,190.48		
Long Term Receivable-DOA	1,490,449.90	1,490,449.90	1,490,449.90		
Allow for Uncollectible LT A/R	3,748,640.38	3,748,640.38	3,748,640.38		
Long Term Receivable					
Gas, Oil and Diesel Inventory	13.77	41.31	759.98		746.21
Supplies Inventory	195,637.30	196,953.06	191,781.84	1,321.76	3,849.46
Const. Asset Inventory	59,716.55	1,676.68	59,716.55		
Allowance for Obsolescence					
Inventory for Survey					
Inventory	134,251.84	135,601.14	131,148.59	1,349.30	3,103.25
Work In Progress					
Const Work in Progr-Local	712,781.82	788,281.82	647,927.92	75,500.00	64,853.90
Const Work in Progr-Federal	14,922,542.72	16,662,018.28	15,271,591.53	1,739,475.56	349,048.81
Const Work in Progr-FMF					
Work In Progress	15,635,324.54	17,450,300.10	15,919,519.45	1,814,975.56	284,194.91
Non Current Assets	15,769,576.38	17,585,901.24	16,050,668.04	1,816,324.86	281,091.66

Property, Plant & Equipment	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Land	3,563,000.00	3,563,000.00	3,563,000.00		
Land-Cabras	3,563,000.00	3,563,000.00	3,563,000.00		
Land					
Buildings	17,094,797.53	17,094,797.53	17,094,797.53		
Buildings-Original	60,010,531.53	57,934,516.48	57,934,516.48	2,076,015.05	2,076,015.05
Buildings-Substation Shelters					
Buildings-Wharf Improvements	77,105,329.06	75,029,314.01	75,029,314.01	2,076,015.05	2,076,015.05
Buildings					
Accumulated Depreciation-Build	16,447,701.01	16,445,206.06	16,440,216.16	2,494.95	7,484.85
AccDeprec-Buildings-Original	24,723,096.05	24,586,856.51	24,325,229.17	136,239.54	397,866.88
AccDeprec-Buildings-Sub Shelter					
AccDeprec-Buildings-Wharf Impr	41,170,797.06	41,032,062.57	40,765,445.33	138,734.49	405,351.73
Accumulated Depreciation-Build					
Furnishings & Equipment	488,574.71	488,574.71	488,574.71		
Air Tools	1,165,419.81	1,165,419.81	1,165,419.81		
Communications Equip	25,770,681.83	25,770,681.83	25,770,681.83		
Computer Equip	1,484,263.11	1,466,331.11	1,431,331.00	17,940.00	17,940.00
Crate Equip	3,159,937.31	3,159,937.31	3,159,937.31		
Furnishings & Office Equip	271,200.00	271,200.00	271,200.00		
Forklift Equip	10,788.72	10,788.72	10,788.72		
Gantry 3 Relocation Cost					
Generator Sets					
Hand Tools					
Load & Unload Equip					
Mowing Equip	1,995.00	1,995.00	1,995.00		
Other Equip	982,280.72	979,841.72	979,841.72	2,439.00	2,439.00
Power Tools	14,198.96	12,974.46	12,974.46	1,224.50	1,224.50
Safety Equip					
Shop Equip	262,873.62	262,873.62	262,873.62		
Tractors	1,680,739.97	1,680,739.97	1,680,739.97		
Trucks	1,694,566.00	1,694,566.00	1,694,566.00		
Vehicles & Motor Equip					
Furnishings & Equipment	36,418,850.76	36,397,247.26	36,397,247.26	21,603.50	21,603.50
Accumulated Depreciation-Furni					
AccDeprec-Air Tools	230,479.52	224,766.21	213,339.59	5,713.31	17,139.93
AccDeprec-Communications Eq.	1,021,700.54	1,017,774.61	1,008,432.75	4,435.93	13,277.79
AccDeprec-Computer Equip	7,520,611.62	7,323,486.84	6,929,237.28	197,144.78	591,373.34
AccDeprec-Crate Equip	2,281,247.95	2,275,601.65	2,267,205.21	5,526.30	14,043.74
AccDeprec-Furnishings & Office	1,018,782.33	1,011,112.37	995,772.45	7,669.96	23,006.88
AccDeprec-Forklift Equip	3,159,937.31	3,159,937.31	3,159,937.31		
AccAmort-Gantry 3 Relocation C	1,193,199.96	1,192,199.98	1,190,200.02	999.98	2,998.94
AccDeprec-Generator Sets	10,640.22	10,623.70	10,590.66	16.52	48.56
AccDeprec-Hand Tools					
AccDeprec-Load & Unload Equip					
AccDeprec-Mowing Equip	1,995.00	1,995.00	1,995.00		
AccDeprec-Other Equip	656,641.18	647,229.74	628,581.10	9,411.44	28,060.08
AccDeprec-Power Tools	11,015.17	10,880.36	10,698.22	1,144.81	316.95

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
AccDeprec-Safety Equip	194,771.68	193,914.48	192,200.08	857.20	2,571.60
AccDeprec-Shop Equip	919,776.92	906,286.09	879,304.43	13,490.83	40,472.49
AccDeprec-Tractors	568,505.79	562,766.82	551,288.88	5,738.97	17,216.91
AccDeprec-Vehicles & Motor Equ					
Accumulated Depreciation-Furni	15,789,305.19	15,538,075.16	15,038,772.98	251,230.03	750,532.21
Capital Leases					
Capital Leases					
Accumulated Amortization-Capit					
AccAmort-Capital Leases					
Accumulated Amortization-Capit					
Property, Plant & Equipment	60,127,077.57	58,419,423.54	59,185,342.96	1,707,654.03	941,734.61
Total Assets	96,591,606.16	97,008,926.01	94,606,155.74	417,319.85	1,985,450.42
Total Liabilities & Capital					
Current Liabilities					
Accounts Payable					
Accounts Payable Custom					
Accounts Payable GSA					
Accounts Payable Others	1,984,532.99	2,168,124.01	2,247,603.19	183,591.02	263,070.20
Accounts Payable Trade	2,064,240.01	3,147,144.14	2,495,540.06	1,083,019.50	431,415.42
Received Not Vouchered					
Accounts Payable	4,048,897.64	5,315,508.16	4,743,143.25	1,266,610.52	694,245.61
Current Loan Payable					
Current ANZ (USDA) Loan Payabl	133,611.19	147,728.25	176,254.43	14,117.06	42,643.24
CU ANZ (USDA) 12M Loan Payable	401,265.49	445,625.52	531,793.72	44,360.03	130,528.23
Current Loan Payable	534,876.68	593,353.77	708,048.15	58,477.09	173,171.47
Due to Public Utilities					
Due to GPA					
Due to GTA					
Due to GWA					
Due to Public Utilities					
Accrued Interest Payable					
Accrued Interest Payable					
Accrued Interest Payable					
Deferred Revenues					
Deferred Income - GEDA	61,769.01	61,769.01	61,769.01		190,695.74
Deferred Revenues -Leases	100,000.00	100,000.00	290,695.74		7,854.70
Deferred Revenues Marinas					

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Deferred Revenues					
Deferred Revenues	38,230.99	38,230.99	237,301.43		199,070.44
Accrued Expenses					
Accrued Payroll	730,901.35	600,759.18	369,046.29	130,142.17	361,855.06
Accrued Vacation Pay-Current	1,073,095.87	1,078,016.87	1,063,409.56	4,921.00	9,686.31
Accrued Vacation Pay					
Accrued Earthquake Cost					
Accrued Cola/Supplemental					
Accrued Typhoon Cost					
Accrued Medicare Tax	250,000.00	250,000.00	250,000.00		
Accrued Federal Grant	4,849.17	4,656.59	4,067.83	7.42	581.34
Employee Insurance Payables	330,842.71	266,497.24	150,509.89	64,145.47	180,132.82
Employee Deductions Payable					
Withholding Tax Payable					
Credit Union					
Accrued Miscellaneous Deductio					
Accrued Death & Disability Ins					
Retirement Contributions					
Deferred Compensation Plan Pay					
Accrued Expenses	2,389,289.10	2,199,929.88	1,837,033.57	189,359.22	552,255.53
Security Deposits					
Security Deposits	90,951.90	90,951.90	90,897.50		64.40
Security Deposits - Space Leas	25,074.90	25,074.90	24,839.90		235.00
Security Deposits - Marinas					
Security Deposits	116,026.80	116,026.80	115,727.40		299.40
Capital Lease Obligations- Cur					
Capital Lease Obligations- Cur					
Capti Lease Obligations-Curren					
Capital Lease Obligations- Cur					
Capital Lease Obligations- Cur					
Other Current Liabilities					
Reserve Shortage-Property Dama					
Lease Payable - GEDA					
Other Current Liabilities					
Other Current Liabilities					
Current Liabilities	7,127,321.21	8,263,049.60	7,641,253.80	1,135,728.39	513,932.59
Non Current Liabilities					
Long Term Accrued Expenses					
Unfunded Retirement Contributi					
Accrued Vacation Pay-Long Term	296,903.82	296,903.82	296,903.82		
Accrued Sick Lve (DC)-Long Term	1,216,519.94	1,216,519.94	1,216,519.94		
Long Term Accrued Expenses	1,513,423.76	1,513,423.76	1,513,423.76		
Capital Lease Obligations					
Capital Lease Obligations					
Capital Lease Obligations					
Capital Lease Obligations					

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Long Term Loan Payables					
LT-ANZ (USDA) Loan Payable 3.5	2,860,883.44	2,860,883.44	2,860,883.44		
LT-ANZ (USDA) Loan Payable 12M	11,090,053.04	11,090,053.04	11,090,053.04		
Long Term Loan Payables	13,950,936.48	13,950,936.48	13,950,936.48		
Non Current Liabilities	15,464,360.24	15,464,360.24	15,464,360.24		
Capital Contributions & Equity					
Contributions-Local Government	3,563,000.00	3,563,000.00	3,563,000.00		
Contributions-Land	13,413,670.45	13,413,670.45	13,413,670.45		
Contributions-Property & Equip	100,000.00	100,000.00	100,000.00		
Contributions-General Fund	7,000.00	7,000.00	7,000.00		
Contributions-GEPA					
Contributions-PAG (Portion of					
Contributions-Local Government	17,567,358.64	17,567,358.64	17,567,358.64		
Contributions-Federal Government					
Contributions-U.S. Govt. Rehab	10,321,126.26	10,321,126.26	10,321,126.26		
Contributions-Economic Development	1,492,676.57	1,492,676.57	1,492,676.57		
Contributions-U.S. Department	6,508,875.60	6,508,875.60	6,508,875.60		
Contributions-U.S. Govt-Fema	53,763.30	53,763.30	53,763.30		
Contributions-Federal Governme	18,376,441.73	18,376,441.73	18,376,441.73		
Accumulated Earnings					
Accumulated Earnings	22,953,260.99	22,953,260.99	22,953,260.99		
Accumulated Earnings (Deficit)	12,603,475.34	12,603,475.34	12,603,475.34		
Accumulated Earnings	35,556,736.33	35,556,736.33	35,556,736.33		
Net Earnings (Loss)	2,499,388.01	1,780,979.47	5.00	718,408.54	2,499,383.01
Capital Contributions & Equity	73,999,924.71	73,281,516.17	71,500,541.70	718,408.54	2,499,383.01
Total Liabilities & Capital	96,591,606.16	97,008,926.01	94,606,155.74	417,319.85	1,985,450.42

Port Authority of Guam
Accounts Payable Summary

Supplier	Supplier Name	Phone	Co	Balance Open	Current	61 - 90	91 - 120	Aging	121 - 0	Over
1485	Administrative Se		00050	1.00						1.00
1486	ASOCIACION PA	360 3525345	00050	2000.00	2000.00					
1487	AGUON, YONATHAN I	671 4752925	00050	150.00	150.00					
1488	BISHOP GUAM ENTER	671 4772232	00050	3438.89	3438.89					
1489	BANK OF GUAM	671 4748864	00050	56582.30	56582.30					293.54
1490	Calvos Select Car	671 4726816	00050	422.77	422.77					
1491	Cash		00050	800.37	800.37					554.10
1492	Chrysalis		00050	154.10	154.10					
1493	City Corporation	671 6371687	00050	125.00	125.00					
1494	Deportes	671 6463884	00050	20000.00	20000.00					
1495	Deportes & Turis		00050	437.28	437.28					18.29
1496	Deportes & Turis		00050	196.35	196.35					
1497	Deportes & Turis		00050	44.00	44.00					
1498	Deportes & Turis		00050	2756.00	2756.00					
1499	Diamond Auto Part	671 6464442	00050	1400.00	1400.00					1400.00
1500	DUEWAS	671 4752925	00050	793.50	793.50					
1501	Federated Reserv	800 5532233	00050	1400.00	1400.00					
1502	Federated Reserv	671 6439782	00050	6.20	6.20					6.20
1503	Gov't of Guam Ret		00050	28.87	28.87					28.87
1504	Gov't of Guam Ret		00050	19.02	19.02					19.02
1505	Government of Gua	671 4758951	00050	1221.95	1221.95					
1506	Graphic Center, I	671 4752925	00050	335.00	335.00					
1507	Graphic Center, I	671 4752925	00050	13250.00	13250.00					
1508	Guam Home Center	671 6372958	00050	112551.30	112551.30					
1509	Guam Modern Authic	671 5252968	00050	15621.72	15621.72					154.60
1510	Guam Telephone A	671 6423100	00050	1083.00	1083.00					
1511	Guam Telephone A	671 6477800	00050	88.50	88.50					7.14
1512	Heavy Equipment P	671 6888401	00050	10050.85	10050.85					
1513	I Connect	671 8888888	00050	2115.53	2115.53					
1514	Internal revenue	310 5414000	00050	941.90	941.90					
1515	Iris Ltd	671 6498833	00050	2337.29	2337.29					
1516	Isla Maritime Age	671 6460526	00050	765.00	765.00					
1517	Island Equipment	671 4754408	00050	11.00	11.00					
1518	IBM Corporation	671 6874266	00050	43.18	43.18					43.18
1519	ICON Corporation	671 6874266	00050	245376.34	245376.34					104132.35
1520	Lab Safety Supply	800 3560783	00050	360.00	360.00					
1521	LASISTE MITCHELL	671 4775931	00050	69384.78	69384.78					
1522	MATSON Navigation	671 4755981	00050	12957.13	12957.13					
1523	Matlan Insurance	671 4723362	00050	196.00	196.00					12957.13
1524	MORPHOTRUST USA	202 6884848	00050	30924.22	30924.22					
1525	N. C. Macario & As	671 6490901	00050	339.80	339.80					
1526	Oceanic Lumber, I	671 6469111	00050	1750.83	1750.83					
1527	Office Of The Att	671 6376906	00050	7896.80	7896.80					
1528	Pacific Human Res	671 6461925	00050	1072419.65	1072419.65					
1529	Pacific Waste Sys	671 9884554	00050	147319.98	147319.98					
1530	Parsons Brinckerh	671 4772221	00050	4550.00	4550.00					
1531	Phillips and Bord	671 4775931	00050	1293.09	1293.09					
1532	PMC Isla Health S	671 6476201	00050	1026.00	1026.00					
1533	PTI Pacifica, Inc	671 6468886	00050	440.46	440.46					
1534	R&E Garcia, Inc	671 6469287	00050	1679.36	1679.36					
1535	Reaction Supply C	671 4725651	00050	499.99	499.99					
1536	Rewal Enterprises	671 649-9133	00050	33737.70	33737.70					
1537	SoiCom	671 6325310	00050	50.00	50.00					
1538	South Pacific Pet	671 4728871	00050							
1539	SANTOS, FRANCISCO	671 4775931	00050							

Port Authority of Guam
Accounts Payable Summary

Supplier	Supplier Name	Phone	Co	Balance Open	Current	61	90	91	120	121	Over
14864	STANDARD INSURANC	971 3212091	00050	6225.45	5.86						
15133	Trans-Pacific Ins	671 3008211	00050	37500.00	37500.00						6219.59
12779	Travel Bag, Inc.	671 4722653	00050	6008.07	6008.07						
11983	Treasurer of Guam		00050	13301.66	13301.66						
14642	Tristar Terminals	671 5652300	00050	5486.12	5000.00						486.12
11615	Tsang Brothers Co	671 6388133 (CHRIS	00050	710.00	710.00						
13098	Vertex Inc.	610 6404200	00050	603.33	603.33						
11956	Workers Compensat		00050	12396.93	3771.93						8625.00
00050	Port Authority of Guam			2064124.64	1558792.86	95337.03	104132.35				305862.40
Grand Total				2064124.64	1558792.86	95337.03	104132.35				305862.40

PORT AUTHORITY OF GUAM
Aging Summary Report
As of December 31, 2013

Account Number	Customer Name	Contact Number	Balance Open	Current	Days Aging				Last Paid		Remarks
					Over 90	Over 60	Over 90	Over 120	Amount	Date	
10225	Mobil Oil Guam, Inc.	6483600	\$ 494,763.41	\$ 84,708.24				\$ 410,055.17	\$ 97,640.11	02/11/14	CIP rebate \$299k (overdeducted from rev). Accr mgr comp \$185k to offset; Payment of \$109,194.06 as of 12/31/13.
7350	Consolidated Transportation Service	6462853/447	\$ 1,014,932.74	\$ 704,755.18	\$ 9,810.80	\$ 5,151.07	\$ 279,950.85	\$ 458,848.19	02/10/14		Delinquent letter acknowledged on 1/23/14. Pymt of \$493,508.86 as of 12/31/13
7413	Seabridge Inc.	6499303	\$ 151,030.61	\$ 1,256.74			\$ 239.67	\$ 15,000.00	01/09/14		Delinquent letter acknowledged on 1/23/14.
7384	Marianas Steamship Agencies	4728584	\$ 471,509.80	\$ 380,693.36	\$ 12,941.82		\$ 334.25	\$ 77,540.37	02/10/14		Delinquent letter acknowledged on 1/23/14. Pymt of \$389,105.40 as of 12/31/13
7376	Matson Navigation Co.	4755981/2	\$ 2,886,212.53	\$ 783,548.25	\$ 10,396.61	\$ 19,796.66	\$ 10,442.75	\$ 62,028.26	02/11/14		Delinquent letter acknowledged on 1/23/14. Pymt of \$3,707,856.55 as of 12/31/13.
14526	Cementon Micronesia, LLC	4832662/JERR	\$ 119,082.00		\$ 19,847.00	\$ 19,847.00	\$ 19,847.00	\$ 19,847.00	06/26/12		Pending PAG BOD Approval letter for deferment from Commercial Div. Per email from Esther rental deferral extended by PAG BOD
14405	KVOG Broadcasting/MCS, LLC	6474467	\$ 56,025.36	\$ 98.24	\$ 1,289.80	\$ 1,737.44	\$ 51,610.08	\$ 45.36	11/14/12		final notice letter sent on 2/7/13...customer had discussed his concerns w/former Mgmt. and they were never resolved. Ms. Meryl Pecina is gathering information & will schedule a meeting w/tenant to table concerns for discussion.
7106	Shell Guam, Inc.	6470000	\$ 46,800.00		\$ 1,950.00	\$ 1,950.00	\$ 40,950.00	\$ 1,950.00	11/04/11		result of unpaid Petroco Lesa since Jan 2012 need to flip w/Comm Div.if this Lesa was Terminated & assigned to some other Oil Co.
7368	Cabras Marine Corp	6499302/3EV	\$ 53,453.34	\$ (9,476.03)	\$ 7,181.59	\$ 7,831.33	\$ 39,893.09	\$ 8,939.67	01/23/14		Delinquent letter acknowledged on 1/23/14. Pymt of \$10,503.24 as of 12/31/13
7931	International Bridge Corp.	6534026/VIC	\$ 36,993.57				\$ 36,993.57	\$ 5,000.00	07/14/11		per telecon w/Ms. Vicki, IBC's office has been in Kansas since Aug 2011. emailed POC Kimberly Smith for pymt status on 12/17/12, but to date have not gotten a response
14602	JRC Maritime Services	6470263/472	\$ 17,945.24				\$ 17,945.24	\$ 500.00	01/21/14		customer having financial difficulties.business is slow. Tries to make payments monthly.
12400	Renolith Resources	6881288/472	\$ 16,893.00		\$ 342.30	\$ 342.30	\$ 15,866.10	\$ 1,342.30	12/05/12		final notice letter sent certified mail. Was returned to our office undeliverable on 10/28/13. Sources say the tenant may have left the island. Preparing documents to file at Small Claims Court.
9611	Ziskovsky, Michael J./Jan Z's		\$ 16,705.53		\$ 750.00	\$ 750.00	\$ 14,455.53				preparing final notice letter for review and signature.Mr.Parrish says he is waiting on Commercial Div for some kind of documentation so that he could get a loan and hopefully clear outstanding fees.
8547	Sun Bay Corp./Jan Z's Lounge	3393129/JONA	\$ 21,757.02		\$ 3,218.25	\$ 3,218.25	\$ 12,102.27				preparing final notice letter for review and signature.Mr.Parrish says he is waiting on Commercial Div for some kind of documentation so that he could get a loan and hopefully clear outstanding fees.
14171	Norton Lilly International	4754654	\$ 67,615.33	\$ 54,122.28	\$ 1,474.35	\$ 326.87	\$ 257.10	\$ 11,434.73	\$ 55,916.81	01/23/14	Delinquent letter sent on 1/23/2014. Pymt of \$54,869.07 as of 12/31/13
13554	BKA Koku L.L.C.	6351123/CAT	\$ 9,923.41				\$ 9,923.41	\$ 2,400.00	09/30/08		routed recommendation to write-off over 5 year aging uncollectible
14967	Polaris Guam LLC/Wu, John	6468888	\$ 9,232.77				\$ 9,232.77	\$ 2,121.13	07/19/13		2nd notice letter sent on Nov.21. Preparing final notice letter for review & sig.
9911	Guam YTK Corporation	4776961	\$ 9,084.14				\$ 9,084.14	\$ 10.26	01/24/11		with legal
8475	Sanko Bussan (Guam) Co, Ltd.	4773072/3	\$ 28,442.54	\$ 7,827.22	\$ 12,055.13	\$ 2,289.30	\$ 629.75	\$ 5,641.14	\$ 15,355.44	02/11/14	delinquent letter sent on 1/23/2014.
14444	Office of the Governor of Guam	4728931	\$ 165,536.24	\$ 59,434.80	\$ 101,073.13		\$ 5,028.31	\$ 500,568.16	11/08/13		pending disbursement of federal funds from Treasurer of Guam
14160	Bryan Keller	6886783	\$ 4,912.04				\$ 4,912.04	\$ 50.00	12/05/11		Small Claims taken off the calendar. Recommendation to write-off as a bad debt emailed to Supervisor for review & approval.
14542	Heavy Equipment Rental Options	6330265	\$ 5,160.78		\$ 579.60	\$ 579.60	\$ 4,001.58	\$ 107.45	02/11/14		promissory note

Account Number	Customer Name	Contact Number	Balance Open	Current	Days Aging				Last Paid		Remarks
					Over 30	Over 60	Over 90	Over 120	Amount	Date	
14336	Cruz, Joseph L.	4771818	\$ 5,283.44	\$ 231.00	\$ 457.04	\$ 226.04	\$ 457.04	\$ 3,912.32	\$ 25.00	11/19/13	As per Eva @ Cabras Marine, vessel has been removed from the Harbor for almost over 2 years ago. Asked her to inform our Commercial Division so that an inactive fact sheet could be prepared so we could clear account of mooring fees since vessels been removed.
14384	Auto Marine Inc.		\$ 6,114.01	\$ 710.80	\$ 1,125.50	\$ 502.66		\$ 3,775.05	\$ 1,500.00	01/29/14	promissory note
14283	Brand, Inc.	6462726/888	\$ 6,991.48		\$ 1,111.00	\$ 1,267.17		\$ 3,502.31	\$ 2,222.00	10/10/13	Delinquent letter sent on 1/23/2014.
13121	Tidewater Distributors Inc	6878473/477	\$ 3,807.17	\$ 453.85				\$ 3,353.32	\$ 5,207.05	02/05/14	cust contested charges for USCG penalty fee on 11/8/11 w/Comm.Div.pending response, followed up w/Mrs.Meryl Pecina in April 2013
11776	Customs and Quarantine Agency	4728426	\$ 3,847.12	\$ (30.00)	\$ 449.28	\$ 449.28	\$ 529.28	\$ 2,449.28	\$ 898.56	01/21/14	pending disbursement of budgeted funds from Treasurer of Guam
14844	Global Investment Group Inc.	6853156/T.P	\$ 2,221.40					\$ 2,221.40	\$ 2,171.40	03/31/11	rouled recommendation to write-off as bad debt. Insufficient address/contact no on file. check pymt was returned to us for insufficient funds.. unable to locate cust.
14984	Ten Bulls Corporation	7771157	\$ 2,166.24					\$ 2,166.24	\$ 22.57	08/08/12	Final notice letter sent on 9/11/13. Preparing documents to file at Small Claims.
13158	Thompson, Michael J.	4773533	\$ 2,156.37	\$ (0.07)				\$ 2,156.44	\$ 50.00	01/08/14	tries to make monthly pymts until his account is cleared. RE: Small Claims Case No. SD 0868-12
7923	Inchcape Shipping Services	4775921/A	\$ 43,978.23	\$ 41,213.67	\$ 129.43	\$ 44.79	\$ 462.64	\$ 2,127.70	\$ 16,195.50	01/31/14	Final Notice letter sent on Nov. 21. Tenant is off-island for medical reasons.
14797	Santiago, Arsenio A.	6469747	\$ 2,658.80	\$ 202.86	\$ 202.86			\$ 2,050.22	\$ 608.58	06/27/13	delinquent letters were returned not deliverable as addressed, unable to forward cust. is deceased.
14561	Trombley, William P.	7891940/DIS	\$ 2,200.00	\$ 137.50	\$ 137.50			\$ 1,787.50	\$ 135.00	08/21/12	cust disputed increased fee w/Atty,awaiting GM signature to reverse charges.
13190	GENTLY BLUE DIVING SHOP	6460838	\$ 2,769.73	\$ (77.30)	\$ 422.63	\$ 422.63	\$ 422.63	\$ 1,579.14	\$ 92.76	10/28/13	cust continues to be prompt w/pymt on old rate submitted a letter of consideration on increased fee to Comm. Div.
14535	Young, Dione & Jerry	5658535	\$ 1,689.75	\$ (7.75)	\$ 177.25			\$ 1,343.00	\$ 200.00	01/30/14	Routed recommendation to write off. Inactive tenant. Court hearing on 12/21/10, tenant admitted to charges (\$1,262.50(balance on acct.) + \$79.00 (court fees). Payment plan was discussed but was never paid. JDX filed at Small Claims Court on 5/14/12. documents were given to SIS Investigate Svcs (process server) to be served to Mr. Quinata. Court hearing was scheduled for 6/27/12. Process server was unable to serve Mr. Quinata so a declaration on non-service was filed on 6/28/12. JDX filing fee was \$15.00 and Process Server fee was \$25.00. Mail returned not deliverable as addressed unable to forward.
14482	Quinata, John		\$ 1,341.50					\$ 1,341.50			
14161	Isla Trucking	8981911/MIK	\$ 2,308.84	\$ 19.06	\$ 501.58	\$ 544.46		\$ 1,243.74	\$ 483.00	01/28/14	delinquent letter sent on 1/23/14.
14868	Le, Hien Van	7976269	\$ 1,237.50					\$ 1,237.50	\$ 137.50	02/14/12	no valid contact no on file..will f/up w/Comm.what the next step will be
9814	Fentress, Michael D.	5654038	\$ 1,625.00	\$ 137.50	\$ 137.50			\$ 1,212.50	\$ 450.00	02/07/14	Ms.Helen promises to clear past due acct. by making a pymt of \$450 every two weeks until acct. is current.
13654	Ball, Barney	4831672(NOT)	\$ 958.96					\$ 958.96	\$ 108.53	02/28/11	routed recommendation to write off. Inactive tenant. Small Claims Case No. 0663-12. Court Hearing on 7/24/12. Judgment by Default in favor of PAG was declared by Honorable Judge Benjamin Sison Jr./to-date. still unable to contact defendant for payment. Cust.defaulted on p-note pymt. Delinquent letter returned due to insufficient address.
14466	Bock, Chris	4839778	\$ 875.00					\$ 875.00	\$ 137.50	08/25/10	Routed recommendation to write off. Filed w/Small Claims on 6/22/12. SMALL CLAIMS Case No. SD0665-12 was assigned but was never addressed in court
14575	Twilligear, Rosco Dean	4776490	\$ 1,030.00	\$ 70.00	\$ 95.00			\$ 840.00	\$ 140.00	11/05/13	Process server was unable to locate tenant and therefore filed a Declaration of Non-Service on 7/23/12. Filing fee was \$31.00 and Process Server fee was \$25.00
14821	Searunner Marine Inc.	4721144	\$ 792.50					\$ 792.50	\$ 110.00	11/05/13	2nd notice letter sent on 1/23/14.

Account Number	Customer Name	Contact Number	Balance Open	Current	Days Aging				Last Paid		Remarks	
					Over 30	Over 60	Over 90	Over 120	Amount	Date		
14815	Rutki, Sisdo	7773849(NOT)	\$ 787.50				\$	787.50	\$	200.00	08/22/13	Promises to make a payment on Dec. 11, 2013 trying to clear his account. Had health problems & concerns. RE: Small Claims Case No. SD 0667-12
10621	Perez, Thomas L.G.	6468651	\$ 885.33	\$ 80.00	\$ 40.00					120.00	01/06/14	customer disputed fees over 120 days. Will f/up w/John L.G.
14560	Poli, Pederio H.	4561858(NOS)	\$ 746.25							10.00	04/22/09	Routed recommendation to write off...inactive tenant...aging over 4 years.
14785	Howard, Lynette/John Regis	9896379/LYN	\$ 1,098.00	\$ 162.50	\$ 162.50			\$ 162.50	\$	600.00	08/13/13	Unsuccessful in contacting cust. through phone(no.svc)/certified mail(returned)
14537	Fredrick, Bruce & Dianne	6480030	\$ 1,330.80	\$ 251.16	\$ 251.16			\$ 276.16	\$	502.32	01/06/14	Delinquent letter sent on 1/23/14
14480	Moody, Mike		\$ 550.00					\$ 550.00				Delinquent letter sent on 1/23/14
14922	Jack Michael	6497300	\$ 922.50	\$ 137.50	\$ 137.50	\$ 25.00	\$	485.00	\$	300.00	10/07/13	Routed recommendation to write off...inactive tenant...aging over 4 years. No contact no. on file. Mail returned not deliverable as addressed, unable to forward
14849	Triad International		\$ 471.00					\$ 471.00	\$	140.00	04/03/12	final notice letter sent on 1/23/14. promises to make a pymt by 2/14/14 defaulted on p-note. insufficient contact# on file Preparing documents to file at Small Claims to collect fees due to us.
14923	Shotguns	6871600	\$ 1,228.28	\$ 255.00	\$ 255.00			\$ 463.28	\$	2,000.00	06/26/13	preparing final notice letter for review and signature.
14755	Marsono, Markus		\$ 405.50					\$ 405.50	\$	50.00	09/11/12	Routed recommendation to write off...Filed w/Small Claims on 6/22/12. SMALL CLAIMS Case No. SD0666-12 was assigned but was never addressed in court. Process server was unable to locate tenant and therefore filed a Declaration of Non-Service on 7/23/12. Mr. Marsono no longer resides at 150 Sunflower Machanaoao Dededo and is no longer employees w/Bob's Nursery. Filing fee was \$36.00 and Process Server fee was \$25.00
14597	Topasna, Juan JP		\$ 363.98					\$ 363.98	\$	15.00	01/29/14	Delinquent letter came back insufficient address. Small Claims Case No. 0279-11 taken off calendar. Customer visited our office & promised to make a payment soon. Informed Ms Rita.
13201	Guam Tropical Dive Station	4772774	\$ 316.29					\$ 316.29	\$	430.36	02/05/14	>120 day is increase sec.dpst.inv.*tenant is current w/monthly rate.
13727	Ross, Robert	4777238	\$ 737.50	\$ 137.50	\$ 137.50			\$ 162.50	\$	300.00	09/18/13	2nd notice letter sent on 1/23/14.
15091	Helgenberger, Patrick		\$ 687.50	\$ 137.50	\$ 137.50			\$ 137.50	\$	275.00	07/02/13	2nd notice letter sent on 1/23/14.
14622	Singenes, Singeo I.		\$ 480.00	\$ 137.50	\$ 162.50			\$ 180.00	\$	370.00	11/07/13	2nd notice letter sent on 1/23/14.
15062	Kondo, Etsuro	4773533	\$ 175.00					\$ 175.00	\$	300.00	05/09/13	Delinquent letter returned insufficient address, unable to forward will f/up w/Comm Div. (John LG)
14949	Oka, Hirayuki	6495551	\$ 575.00	\$ 137.50	\$ 137.50			\$ 162.50	\$	275.00	08/19/13	delinquent letter sent on 1/23/14.
14485	Rains, Julian T.	6320036	\$ 272.50	\$ 137.50				\$ 135.00	\$	140.00	02/04/14	delinquent letter sent on 1/23/14, past due acct. cleared on 2/4/14
14907	Taitano, John	4725161	\$ 84.00					\$ 84.00	\$	21.00	01/28/14	delinquent letter sent on 1/23/14.
14741	Mario, Bruno	4779420*SAT	\$ 81.00					\$ 81.00	\$	25.00	12/11/13	Tries to make monthly pymts until his account is cleared. RE: Small Claims Case No. SD 0664-12.
14124	Guam Fire Department	4723311	\$ 320.00	\$ 80.00	\$ 80.00			\$ 80.00	\$	80.00	01/27/14	pending disbursement of budgeted funds from Treasurer of Guam
14436	John C. Aguon/Myung J. Park	6887998(MR)	\$ 225.00	\$ 50.00	\$ 50.00			\$ 75.00	\$	850.00	01/17/14	tenant is current as of 1/17/14.
14368	Tyco Electronics Subsea Co	503-283-8994	\$ 2,979.06	\$ 2,913.45				\$ 65.61	\$	14,406.01	02/10/14	pending credit on warehouse repairs. This credit will clear past due acct.
14968	Nguyen, Hoa Van	6478262/ARO	\$ (670.00)	\$ (720.00)				\$ 50.00	\$	960.00	12/05/13	2nd notice letter sent on 1/23/14 cust-made advance pymt for LY2014. need to credit customer for duplicate billing preparing credit memo for review & approval.
11756	V-Angoco's Trucking	5652395	\$ 42.78					\$ 42.78				2nd notice letter sent on 1/23/14.
14381	Apra Dive & Marine Sports, Inc.	6887700/YUK	\$ 4,285.73	\$ 321.66	\$ 1,315.29	\$ 1,395.54	\$	34.44	\$	2,366.70	01/24/14	
14197	Parsons Brinckerhoff International	9884554/MAT	\$ (110.00)	\$ (180.00)	\$ 10.00			\$ 20.00	\$	10.00	01/28/14	Credit invoice#s 5023/4 to clear \$4,981.24 of aged disputed invoices. Payment of \$269,045.43 as of 12/31/13
7941	Amybth Shipping & Trading	4778200/647	\$ 224,159.80	\$ 218,049.50				\$ 16.94	\$	3,462.92	02/07/14	
14778	JP&E Holding LLC	6470000X102	\$ (172,914.41)	\$ (173,898.40)	\$ 982.62			\$ 1.37	\$	5,814.03	02/05/14	

Account Number	Customer Name	Contact Number	Balance Open	Current	Days Aging			Last Paid		Remarks
					Over 30	Over 60	Over 90	Over 120	Amount	
14890	Roberts, Tom	6329733	\$ 115.92	\$ 115.92				\$ 115.92	01/07/11	
12419	Nelsen, Jeff G.	6495722	\$ 85.00	\$ 85.00				\$ 173.00	01/13/14	
15088	Shida, Paul H.	6495482	\$ 70.00	\$ 70.00				\$ 140.00	12/04/13	
12509	Hanley, Timothy F.	4776203	\$ 52.50	\$ 52.50				\$ 105.00	02/05/14	
14656	McClelland, Terry/Enrique	6464386	\$ 50.00	\$ 50.00				\$ 50.00	02/11/11	
9654	Baba, Hideharu	6464712/CAT	\$ 40.00	\$ 40.00				\$ 40.00	01/10/14	
9363	Luen Fung Enterprises	6467072	\$ -	\$ -				\$ 45.14	12/20/13	
14764	San Jose Investments, LLC	4721135	\$ (0.20)	\$ (0.20)				\$ 75.44	12/13/11	
13913	Skocumchuck Charters Inc.	6880100/ROY	\$ (0.30)	\$ (0.30)				\$ 156.56	01/15/14	
1268	LUJAN, JOSEPH P.	4775931/X41	\$ (2.40)	\$ (2.40)						
14857	Hong Gi Chu (Sky)	6884401	\$ (2.50)	\$ (2.50)				\$ 140.00	05/02/11	
14465	Orion Construction Corporation	6332203	\$ (5.37)	\$ (5.37)				\$ 504.71	08/30/13	
15154	ELSEGINI, ORANA MARIE D.	7971821	\$ (14.66)	\$ (14.66)				\$ 14.66	12/13/13	
11615	Tsang Brothers Corporation	6470647	\$ (21.39)	\$ (21.39)				\$ 1,303.68	11/30/12	
14963	Castro, Jesse AR	7774241	\$ (25.00)	\$ (25.00)				\$ 67.70	01/23/14	
15028	J&C International, LLC	9693944/394	\$ (25.99)	\$ (25.99)				\$ 140.00	01/17/11	
14005	Big Bird Enterprise, Inc.	4720001	\$ (27.50)	\$ (27.50)				\$ 211.96	12/18/12	
9638	Asmuyao Community School	6871847	\$ (38.55)	\$ (38.55)				\$ 125.00	12/06/12	
13674	Goffman, John Randolph	4759276	\$ (38.55)	\$ (38.55)				\$ 275.00	01/29/14	
12397	Cruz, John R.	6531039	\$ (40.00)	\$ (40.00)				\$ 275.00	01/29/14	
13653	Yu, Niko K.	6490889	\$ (40.00)	\$ (40.00)				\$ 160.00	01/02/14	
14914	Big 7 Pachinko	6889999/MR.	\$ (41.35)	\$ (41.35)				\$ 440.00	03/01/13	
10516	Pacific Data System	6484361/2	\$ (43.43)	\$ (43.43)				\$ 43.42	12/13/11	
11854	J.C. Marketing	6336330/31/	\$ (45.13)	\$ (45.13)				\$ 608.02	02/02/12	
13218	Guam Music Inc.	6461104	\$ (49.72)	\$ (49.72)				\$ 203.11	01/30/13	
12373	Beighley, Jim/Mark Baldyga	6466800	\$ (50.00)	\$ (50.00)				\$ 525.88	01/19/12	
13089	Guam Fisherman's Cooperative	4726323/CAR	\$ (50.00)	\$ (50.00)				\$ 625.00	02/25/13	
13545	Perez, Vincent T.	4722202	\$ (50.00)	\$ (50.00)				\$ 600.00	01/30/13	
14431	Quinata, Carlos/Amber	7272873	\$ (50.00)	\$ (50.00)				\$ 50.00	01/16/14	
12353	Pacific Produce Corp	6468082	\$ (50.57)	\$ (50.57)				\$ 137.50	01/08/14	
13495	BME & Son Inc./DB's Builders	6323338/637	\$ (51.98)	\$ (51.98)				\$ 155.00	06/15/12	
8230	Ocean Care Company	4752790/EIL	\$ (54.81)	\$ (54.81)				\$ 54.81	08/07/13	
14533	Brochon, Michael	8988612	\$ (55.00)	\$ (55.00)				\$ 200.00	12/20/13	
9751	Duenas Roy P.	4728353	\$ (80.00)	\$ (80.00)				\$ 80.00	01/09/14	
15096	International Bridge & Con	6534026	\$ (84.10)	\$ (84.10)				\$ 84.10	07/09/13	
14893	Cruz, Joseph R.	7346639	\$ (85.50)	\$ (85.50)				\$ 59.00	09/19/11	
14122	Global Recycling Center	7777728	\$ (85.56)	\$ (85.56)				\$ 85.56	03/15/13	
11778	Dewitt Trans Services of Guam	6464442/648	\$ (100.00)	\$ (100.00)				\$ 100.00	12/20/13	
14791	Fong, Francis L	4725060	\$ (102.68)	\$ (102.68)				\$ 227.32	12/10/11	

Account Number	Customer Name	Contact Number	Balance Open	Current	Days Aging			Last Paid		Remarks	
					Over 30	Over 60	Over 90	Over 120	Amount		Date
15135	Studer, Heinz	7080662	\$ (110.00)	\$ (110.00)				\$ 184.00	12/19/13		
13476	Isla Maritime Agency	6498833	\$ (138.81)	\$ (138.81)				\$ 861.83	02/05/14		
13081	Watanabe, Akio/Fontana & Co.	6467671	\$ (147.00)	\$ (147.00)				\$ 147.00	02/05/14		
12895	Bell, James C. or Cynthia	4822785/CYN	\$ (150.00)	\$ (150.00)				\$ 450.00	12/11/13		
14776	MARAD		\$ (169.45)	\$ (169.45)				\$ 34,271.66	11/30/1		
13191	Paul SN. Agoun and Seo Jun	7344292/647	\$ (186.02)	\$ (186.02)				\$ 50.00	01/31/14		
14478	McClue, Michael R.	7775556	\$ (195.00)	\$ (195.00)				\$ 440.00	03/22/13		
9697	Camacho, Antonio Frank C.	7344123	\$ (200.00)	\$ (200.00)				\$ 200.00	11/27/13		
15054	Denman, Peter	9892424	\$ (206.25)	\$ (206.25)				\$ 275.00	02/05/14		
15099	Williams, Michael E.	6853335	\$ (220.00)	\$ (220.00)				\$ 220.00	02/05/14		
12424	Flores, Joaquin C.	4774487	\$ (221.72)	\$ (221.72)				\$ 137.50	11/25/13		
14438	Geneux, Michael	6881376	\$ (221.72)	\$ (221.72)				\$ 137.50	10/10/13		
11971	Coral Reef Marine Center	6464895	\$ (245.77)	\$ (245.77)				\$ 496.94	08/07/13		
14029	CRW TRADING INC.	6491245	\$ (259.69)	\$ (259.69)				\$ 1,508.56	10/27/11		
12446	Coam Trading (Guam) Co. Ltd.	4724567	\$ (274.42)	\$ (274.42)				\$ 741.42	02/03/14		
14150	PIER, KENNETH	7893814	\$ (275.00)	\$ (275.00)				\$ 275.00	12/27/13		
12394	Wong, Billy	6372052	\$ (300.00)	\$ (300.00)				\$ 300.00	12/16/13		
14443	Moritz, Lance	757-6310615	\$ (300.00)	\$ (300.00)				\$ 150.00	01/21/14		
9540	Unitek Environmental Svcs	5653151/CON	\$ (342.80)	\$ (342.80)				\$ 157.20	01/30/14		
13527	Harf, John R.	7274922	\$ (354.80)	\$ (354.80)				\$ 220.00	12/02/13		
13844	Hagen, William	6329135/637	\$ (354.80)	\$ (354.80)				\$ 695.52	03/04/13		
15032	Pacific Marine Enterprises	9898451	\$ (370.94)	\$ (370.94)				\$ 220.00	12/02/13		
10217	Mars, Thomas Z.	303-296-0516	\$ (402.36)	\$ (402.36)				\$ 1,320.00	07/17/13		
14587	Moore, James	7347263	\$ (412.50)	\$ (412.50)				\$ 137.50	07/22/1		
15123	OKADA, AKIRA	9296728	\$ (412.50)	\$ (412.50)				\$ 550.00	11/12/13		
13607	S.H. Enterprises	6490521	\$ (428.85)	\$ (428.85)				\$ 1,203.79	10/23/13		
15155	BALMER, JAN & KIM BRODLIEB	483-8939	\$ (450.00)	\$ (450.00)				\$ 550.00	12/16/13		
14932	LONGLEY, CHARLES	808-6838199	\$ (574.80)	\$ (574.80)				\$ 220.00	02/03/1		
14409	Robinson, Merle Ann	6372935	\$ (576.00)	\$ (576.00)				\$ 536.00	11/27/13		
14290	DGX	6493333/JER	\$ (677.07)	\$ (677.07)				\$ 22.57	02/11/14		
1487	Guam Federation of Teacher	7354390	\$ (859.00)	\$ (859.00)				\$ 907.50	12/11/13		
15152	SUNNY SIDE UP GUAM INC.	727-8767/TO	\$ (907.50)	\$ (907.50)				\$ 880.00	12/27/13		
10743	Poppo, Edward/FISH INC	7894514	\$ (960.00)	\$ (960.00)				\$ 2,561.58	12/27/13		
13537	Wang, Jackey	6377171	\$ (1,348.19)	\$ (1,348.19)				\$ 0.16	12/27/12		
9208	PTI Pacific, Inc. DBA:IT&E	646886/89	\$ (3,385.24)	\$ (3,385.24)				\$ 4,641.63	01/28/14		
7878	Guam Response Services, Ltd.	4757520/888	\$ (4,641.63)	\$ (4,641.63)				\$ 11,778.31	12/04/12		
13509	Horizon Lines	4758100/MAI	\$ (12,198.40)	\$ (12,198.40)				\$ 276.29	02/05/14		
13030	South Pacific Petroleum Co	4728871/0PE	\$ (29,099.41)	\$ (29,099.41)				\$ 172,000.00	02/25/13		
12511	Hanson Permanente Cement of Gu	4771530/LUP	\$ (60,358.72)	\$ (60,358.72)				\$ 216,643.14	\$ 84,966.04	\$ 65,995.11	\$ 1,376,893.08

PORT AUTHORITY OF GUAM

Facility Maintenance Fee Ledger

50.1122.BOGFM

60.5841						BOG	
Date	Description	Debit	Credit	Balance	Remarks	Balance	Date
				-		1,343.72	10/18/2012
10/31/2012	Revenues	128,054.41		128,054.41			
11/30/2012	Revenues	136,714.49		264,768.90		17,571.41	3/18/2013
12/31/2012	Revenues	135,134.97		399,903.87		16,017.96	3/28/2013
1/31/2013	Revenues	83,474.01		483,377.88		50,000.00	4/2/2013
2/28/2013	Revenues	134,963.11		618,340.99		55,181.02	4/5/2013
3/31/2013	Revenues	106,297.86		724,638.85		15,000.00	4/10/2013
4/30/2013	Revenues	101,044.38		825,683.23		87,504.18	4/15/2013
5/31/2013	Revenues	133,634.87		959,318.10		350,000.00	4/19/2013
6/14/2013	LC4 Cable Replacement (DCK Pacific)		78,000.00	881,318.10	Completed	18,650.26	4/30/2013
6/30/2013	Revenues	111,439.34		992,757.44		107,294.52	5/8/2013
7/31/2013	Revenues	131,824.10		1,124,581.54		11,818.72	6/27/2013
7/31/2013	Yard Stripping		235,000.00	889,581.54		5,112.15	7/3/2013
	F5/6 Concrete Pole Light Upgrade Doc		231,680.00	657,901.54	Awarded	37,942.64	7/10/2013
7/31/2013	High Tower Renovation		25,000.00	632,901.54		94,264.19	7/12/2013
7/31/2013	Lower Tower Renovation		65,000.00	567,901.54		11,388.23	7/24/2013
7/31/2013	Warehouse 1, Bay 2 & 3 removal/rep		75,500.00	492,401.54	Completed		
	Terminal Relocation		10,000.00	482,401.54		106,434.24	7/30/2013
8/31/2013	Revenues	110,602.88		593,004.42			
8/31/2013	Lower Tower 2nd Floor Renovation		53,000.00	540,004.42			
	Hotel Wharf		537,000.00	3,004.42		19,950.41	8/2/2013
9/30/2013	Revenues	104,197.42		107,201.84		58,758.05	8/13/2013
10/31/2013	Revenues	131,158.87		238,360.71		106,361.97	9/3/2013
11/30/2013	Revenues	104,937.30		343,298.01		17,677.97	9/25/2013
12/31/2013	Revenues	111,418.07		454,716.08		25,695.93	9/30/2013
			-	454,716.08		99.78	12/31/2013
			-	454,716.08			
			-	454,716.08			
			-	454,716.08		1,214,067.35	
				454,716.08			
				454,716.08			
				454,716.08			

OPERATION DIVISION REPORT SUMMARIZATION

February 04 2014

Prepared By: John B. Santos

CONTAINER REPORT:

For the Month of January:

- Total Cargo Vessels: 24
- Total Containers Handled: 8,116

Year to Date (October 2013 – September 2014)

- Total Cargo Vessels: 91
 - Total Containers Handled: 29,849
 - Monthly Container Handled Average: 7,462
-

VESSEL PRODUCTIVITY REPORT:

Average Gross Move Per Hour (AGMPH):

- Matson 21 AGMPH
 - MSA Barges 17 AGMPH
 - MSA Kyowa, Condor 11 AGMPH
 - Ambyth 14 AGMPH
 - MEL 19 AGMPH
-

EQUIPMENT REPORT:

Gantry Cranes:

Gantry Cranes 4, 5, & 6 are fully operational for this period. Gantry crane 3 is under repair status therefore only gantry cranes 4, 5, & 6 were utilized. Cranes 4, 5, & 6 has 3.9 hours, 2.3 hours & 4.2 hours down time respectively. Downtimes are attributed to the same/similar problems every week (spreaders, twist locks, hoists, gantry, power switch, and baloney/power cables).

Mobile Harbor Crane:

Not used for cargo operations during this period.

**Vessels Recap
January 2014**

"Matson Navigational"																					
Vessel	Voy.	Arrive	Depart	First Lift	Last Lift	Lifts		Total Ctns	Total TEUs	Ops		Shift GMPH			Gmph						
						In	Out			Hrs	Hrs	1st	2nd	3rd		4th	5th				
Maunawili	118	01 Jan - 13:00	02 Jan - 16:04	01 Jan - 14:16	02 Jan - 14:31	631	517	1148	2220.5	24.3	7.9	27.1	0:38	0:37	0:00	23	22	26	27.9	22.5	
Maunalei	79	07 Jan - 07:04	08 Jan - 13:34	07 Jan - 08:15	08 Jan - 11:13	449	492	941	1848.8	26.9	10.7	30.5	0:36	0:05	2:17	17	20	20	28.5	18.8	
RJ Pfeiffer	388	15 Jan - 19:49	16 Jan - 18:36	15 Jan - 20:33	16 Jan - 17:52	483	635	1118	2043.8	21.3	4.3	22.8	0:36	0:03	0:10	25	26		30.5	25.5	
Mana	17/18	13 Jan - 07:50	17 Jan - 05:00	13 Jan - 03:55	17 Jan - 03:55	198	44	242	330.0	14	1.9	58.4		0:00	0:00	13	25	1.7	20.1	17.3	
Manukai	143	21 Jan - 08:26	22 Jan - 08:30	21 Jan - 09:27	22 Jan - 05:02	469	534	1003	1951.3	19.6	11.1	24.1	0:53	0:02	0:19	17	23		28.4	19.9	
Manulani	99	29 Jan - 05:12	30 Jan - 10:06	29 Jan - 06:16	30 Jan - 09:43	593	565	1158	2236.5	27.5	14.4	28.9	0:12	0:00	0:34	20	17	23	26.8	19.4	
Mana	18/19	30 Jan - 11:36	31 Jan - 17:06	30 Jan - 14:01	30 Jan - 23:11	204	34	238	363	9.2	2.4	28.6	0:12	0:00		19	22		24.6	19.7	
Total:						3027	2821	5848	10994				Month Nmph/Gmph Average:			26.7	20.4				
"Marianas Steamship Agency" (BARGES)																					
Vessel	Voy.	Arrive	Depart	First Lift	Last Lift	Lifts		Total Ctns	Total TEUs	Ops		Shift GMPH			Gmph						
						In	Out			Hrs	Hrs	1st	2nd	3rd		4th	5th				
S-2007	62s/63n	07 Jan - 21:03	08 Jan - 11:07	07 Jan - 22:01	08 Jan - 03:39	48	47	95	167.8	5.6	0.7	14.1			0:00	24			28.6	23.6	
S-2007	63sg/64n	11 Jan - 08:57	11 Jan - 21:00	11 Jan - 09:52	11 Jan - 16:43	53	1	54	101	6.9	1.9	12.1			0:00	10			15.1	9.9	
S-2007	64s/65n	14 Jan - 0:800	16 Jan - 13:04	14 Jan - 09:30	16 Jan - 11:01	16	41	57	104.5	4.2	0.3	7.9			0:00	23	13		14.8	13.7	
S-2007	65s/66n	20 Jan - 08:40	22 Jan - 17:27	20 Jan - 09:15	22 Jan - 16:41	34	63	97	161.3	8.5	1.3	12.4			0:00	18	11		14.9	12.4	
S-2007	66s/67n	30 Jan - 07:40	30 Jan - 14:26	27 Jan - 09:25	30 Jan - 11:34	33	52	85	151.3	4.2	0.8	8.5			0:00	31	17		25.6	20.3	
Total:						184	204	388	685.9				Month Nmph/Gmph Average:			19.8	16.0				

Vessels Recap
January 2014

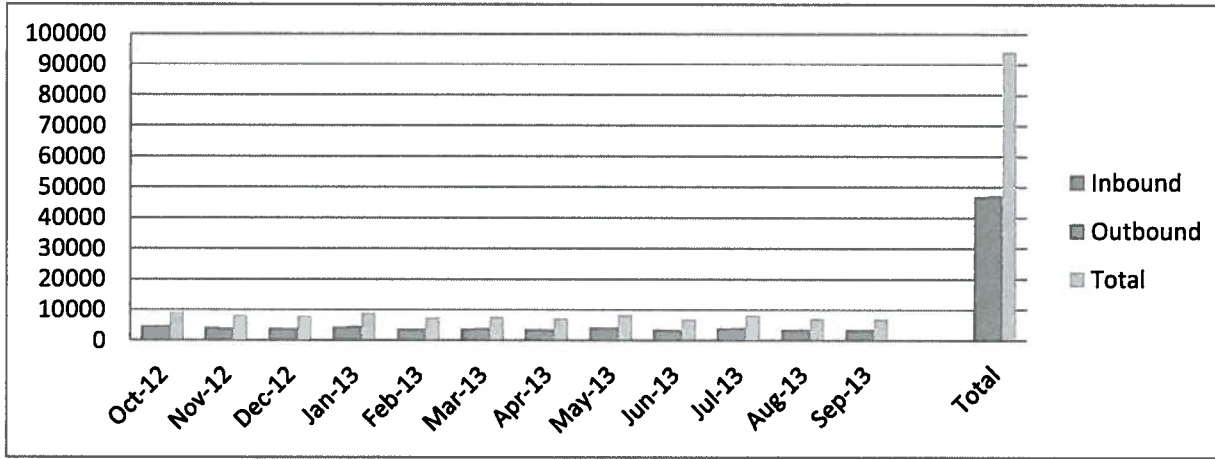
"MSA" (Pacific Condor)															
Vessel	Voy.	Arrive	Depart	First Lift	Last Lift	Lifts		Total Ctnrs	Total TEUs	Ops Hrs	Loss Hrs	Berth Hours		Gmph	
						In	Out					1st	2nd		3rd
Condor	120	16 Jan - 19:54	17 Jan - 23:00	16 Jan - 21:24	17 Jan - 22:04	94	57	151	195	24.7	8.6	27.1		19.0	9.1
					Total:	94	57	151	195					19.0	9.1
Month Nmph/Gmph Average: 19.0 9.1															
"AMBYTH" (Shaoshing)															
Vessel	Voy.	Arrive	Depart	First Lift	Last Lift	Lifts		Total Ctnrs	Total TEUs	Ops Hrs	Loss Hrs	Berth Hours		Gmph	
						In	Out					1st	2nd		3rd
Shaoshing	1319s	14 Jan - 20:30	15 Jan - 18:16	14 Jan - 21:37	15 Jan - 17:39	54	44	98	147	20	9.8	21.7		22.5	6.9
					Total:	54	44	98	147					22.5	6.9
Month Nmph/Gmph Average: 22.5 6.9															

Container Total Comparison
Fiscal Year 2013 - Fiscal Year 2014

Month	Inbound	Outbound	Total
Oct-12	4557	4656	9213
Nov-12	4211	3944	8155
Dec-12	3938	3873	7811
Jan-13	4263	4645	8908
Feb-13	3720	3716	7436
Mar-13	3799	3969	7768
Apr-13	3692	3574	7266
May-13	4170	4185	8355
Jun-13	3586	3454	7040
Jul-13	4007	4126	8133
Aug-13	3578	3615	7193
Sep-13	3506	3554	7060

8522 (4 Months Average)

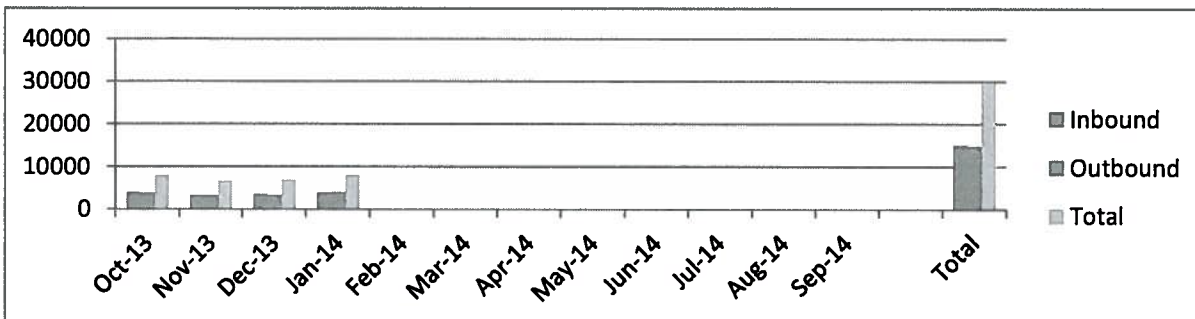
Total	47027	47311	94338
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Month	Inbound	Outbound	Total
Oct-13	4090	3949	8039
Nov-13	3335	3342	6677
Dec-13	3598	3419	7017
Jan-14	4018	4098	8116
Feb-14			0
Mar-14			0
Apr-14			0
May-14			0
Jun-14			0
Jul-14			0
Aug-14			0
Sep-14			0

7462 (4 Months Average)

Total	15041	14808	29849
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CY 2014 PAG CRANES
MONTHLY REPORT

	Total Ops Hrs	Total Vessels	Total Shifts	Total Container Moves	Total Down Time (Hrs)	Types of repairs performed
Gantry #3	0	0	0	0	n/a	
Gantry #4	259.1	11	22	2353	3.9	Power,spreader, gantry, & baloney cable
Gantry #5	164.9	16	27	3223	2.3	Power,spreader, & boloney cable.
Gantry #6	170.1	19	34	2538	4.2	Hoist,baloney cable, & spreader.
Mobile Harbor Crane	0	0	0	0	n/a	
January						



PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201, Piti, Guam 96925
Telephone: 671-477-5931/35 Facsimile: 671-477-2689/4445
Website: www.portguam.com



Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

February 13, 2014

MEMORANDUM

TO: Board of Directors

VIA: General Manager
Deputy General Manager, Admin/Finance

FROM: Procurement and Supply Manager

SUBJECT: Procurement Division Status Report for February 2014

1. Request for Proposals

- RFP-PAG-013-003: **Management and Operation Services for F1 Fuel Pier Facilities**
 - Pending Board Approval of award
- RFP-PAG-013-004: **Implementation and Integration of TOS**
 - Pending Board approval of award with for additional funds
- RFP-PAG-014-001 **Classification and Position Management Service**
 - Pending Board approval of award

2. Invitation for Bid –

- IFB-CIP-014-001 Container Yard Striping Project Phase I
 - Pending Board approval of award

3. Invitation for Bid – General Services Agency

- PAG/GSA-001-014 Safety Shoes
 - Bid issued on January 29, 2014; Bid Opening is scheduled for February 13, 2014
- PAG/GSA-002-14 Procurement of 750 KW & 500 KW Prime Generator Sets
 - Scheduled for issuance for February 14, 2014.
- Pending Bid Announcement
 - Indefinite Quantity Bid of Low Sulfur Fuel

4. Contract Management

- Option Renewals:
 1. Pacific Human Resource Services, Inc
 - Drug Free Workplace Program Implementation Services
 - 3rd option year of 4 options
 2. Cornerstone Valuation Guam Inc.
 - Real Estate Appraisal and Consulting Services
 - 1st option of 4 options
 3. IRIS, Ltd.
 - Risk Management Services
 - 1st option of 4 options

5. Procurement Plan (see attached)

Gregorio D. Leon Guerrero Commercial Port
PORT AUTHORITY OF GUAM
2-YEAR COMPETITIVE PROCUREMENT PLAN

Revised: 2/13/2014

FISCAL YEAR 2014

SOLICITATION		PROJECT TITLE/DESCRIPTION	REQUESTING OFFICE	ESTIMATED ISSUANCE	PROPOSED TERM	FUNDING SOURCE	COMPLIANCE	
METHOD	TYPE						PL 30-72	PUC
IFB	Construction	Container Yard Stripping Project, Phase 1	CIP	December 2013	thru completion	CIP/FMF	NO	NO
RFP	Professional Services	Maintenance to Compensation Structure	HR	January 2014	5 year	O&M Local	NO	NO
RFQ	Emergency Proc	Acquisition of Prime Generators - CANCELLED	Planning	January 2014	thru completion	Fed/PSGP	YES	NO
GSA/IFB	Equipment	IDIQ - Safety Shoes	Safety	January 2014	1 year	O&M Local	NO	NO
GSA/IFB	Equipment	Procurement of 750 KW & 500KW Prime Generator Sets	Planning/EQMR	February 2014	upon delivery & installation	Fed/PSGP	YES	NO
GSA/IFB	Mat'l & Supplies	IDIQ - Low Sulfur Fuel	Transportation	February 2014	1 year	O&M Local	NO	NO
GSA/IFB	Equipment	Mobile Screening Machine	Planning	March 2014	thru completion	Fed/PSGP	YES	YES
RFP	Professional Services	Construction Management Services for SLE Project	CIP	March 2014	thru project completion	Loan Proceeds	YES	NO
IFB	Construction	SLE - Wharf Repairs	CIP	March 2014	thru completion	Loan Proceeds	YES	YES
GSA/IFB	Mat'l & Supplies	IDIQ - Replacement Tires	Maintenance	March 2014	1 year	O&M Local	NO	NO
IFB	Construction	Agat Marina Dock C & D Structural Repair	CIP	April 2014	thru completion	Fed/DOI	NO	NO
IFB	Construction	CFS Spalling Repairs	CIP	April 2014	thru completion	CIP Local	NO	NO
GSA/IFB	Equipment	SLE: Acquisition of Cargo Handling Equipment	Operations	May 2014	thru completion	Loan Proceeds	YES	YES
IFB	Construction	High & Low Tower Repairs	CIP	May 2014	thru completion	CIP Local	NO	NO
IFB	Construction	Dockside Lighting	CIP	June 2014	thru completion	CIP/FMF	NO	NO
IFB	Construction	Container Yard Concrete Wheel Stopper Installation	CIP	June 2014	thru completion	CIP Local	NO	NO
IFB	Construction	Electrical Work for Additional 56 Reelers Outlets	CIP	July 2014	thru completion	CIP Local	YES	NO
IFB	Construction	Removal & Repairs of Bay 2 & 3 - WHS 1	CIP	July 2014	thru completion	CIP/FMF	NO	NO
IFB	Construction	Repair/Upgrade Perimeter Fence (Southside)	CIP	August 2014	thru completion	CIP Local	NO	NO
IFB	Construction	Repair/Upgrade Hotel Wharf	CIP	August 2014	thru completion	CIP/FMF	NO	NO

FISCAL YEAR 2015 (UNFUNDED PROJECTS)

SOLICITATION		PROJECT TITLE/DESCRIPTION	REQUESTING OFFICE	ESTIMATED ISSUANCE	PROPOSED TERM	FUNDING SOURCE	COMPLIANCE	
METHOD	TYPE						PL 30-72	PUC
IFB	Construction	Port Police Security Upgrade	CIP		thru completion	CIP Local	NO	NO
IFB	Construction	Renovations to Harbor Refuge	CIP/Planning		thru completion	BIG Grant	NO	NO
IFB	Construction	Upgrade/Replace Shut-off Valves	CIP		thru completion	CIP Local	NO	NO
IFB	Construction	Installation of Floodlights within Port facilities	CIP		thru completion	CIP Local	NO	NO
IFB	Construction	Solar Power Lighting within Port facilities	CIP		thru completion	CIP Local	NO	NO
IFB	Construction	EQMR Facility Upgrade	CIP		thru completion	CIP Local	NO	NO
GSA/IFB	Software/Equipment	Document Management System	IT		thru completion	CIP Local	NO	NO
IFB	Construction	Automatic Transfer Switch for LC2 & LC3	CIP		thru completion	CIP Local	NO	NO

FY-14 OCTOBER WORK INJURY REPORT

(10/01/13 to 09/30/14)

O2/17/2014

<u>Divisions</u>	<u>*Lost-time</u>	<u>**Recordable</u>	<u>*** Refused Treatment</u>
Stevedoring	0	0	1
Transportation	0	1	0
Terminal	0	0	0
EQMR	1	0	1
Others	<u>0</u>	<u>1</u>	<u>0</u>
Total	1	2	2

There were 4 injuries in January 2014 and 1 injury in February 2014.

Work Injury Summary for this reporting period: January = 4 injuries
February = 1 injury

Total injuries for FY-14 to date 5 - Injuries
 1 - Lost-time
 2 - Recordable
 2 - Refused Medical Attention

Last disabling work injury was on: 01/24/2014

Number of days since last disabling work injury: 25

Note: PAG best record was 222 days w/o a disabling work injury or (7 months)

***Lost-time** = If an employee was injured on the job and medical doctor sent him/her home, his/her injury is considered a lost-time.

****Recordable** = If an employee was injured on the job and medical doctor treated him/her and released him/her back to work on the same day (Recordable because of medical charges).

*****Refused Medical Attention:** Filed WC Forms 201 & 202 for record purposes only.

PORT AUTHORITY OF GUAM
Jose D. Leon Guerrero Commercial Port
ENGINEERING/CIP DIVISION
Piti, Guam 96925

February 14, 2014

INTER-OFFICE MEMEORANDUM

TO: General Manager

FROM: Engineer Manager

SUBJECT: Brief Summary Status of Ongoing & Proposed CIP Projects for the Year 2014
First Quarter, aside from the Guam Commercial Port Improvement Program.

The following is a summary list of current on-going projects including projects in the planning stage. *Italicized are the latest developments.*

1) PROJECT: **Replacement of Welded Steel Petroleum Distribution Piping & Appurtenances**

RFP NUMBER: PAG-011-004

CONTRACTOR: Rex International, Inc.

PROJECT AMOUNT: \$1,538,819.00

CHANGE ORDER: \$0

DESIGNER: N.C. Macario & Associates

FUNDING SOURCE: 1) A/E Design funded by PAG (\$289,928.18)
2) CM funded by PAG (\$245,000.00)
3) Available fund by FHWA (\$2,464,042.22)

A/E Completion Time: February 10, 2012

PAYMENT TO DATE: \$260,935.35 (Design)

BALANCE TO DATE: \$28,992.83 (Design)

NOTICE TO PROCEED: N/A

COMPLETION TIME: 305 Calendar Days after NTP issuance

Construction Manager: SSFM International, Inc. & Port Engineering/CIP Division

PAYMENT TO DATE: \$0

WORK STATUS: NCMA has forwarded the final drawing to FHWA for review. MOU awaiting review by signatories from FHWA, PAG & DPW. Received ACOE Permit on December 26, 2012. Still awaiting MOU from DPW. PAG scheduled a coordination meeting on 5/3/2013 with DPW (Connie Lee), NCMA, & Villaflores (Surveyor) in DPW office for Right of Way & was resolved that DPW will issue the RoW certification. Another meeting was conducted with the DPW procurement tracking staff (Cristina Ingbarsson & Sagrado Bilong) for project coordination. Pre-Bid conference on June 18, 2013 in DPW

conference room & bid opening will be on July 10, 2013. Second site visit for Golf pier was conducted on 7/2/2013. Bid opening was reset to July 17, 2013 on the same venue & time. Lowest bid was Rex Int.(\$1,538,819.00), followed by Smithbridge (\$1,554,814.73) & BME & Sons(\$1,823,298.00). Government estimate was \$2.4M. DPW will provide the bid analysis & finalize the bid outcome. Bid evaluation was completed by NCMA on 8/2/2013 & was forwarded to DPW for Intend to Award. Latest update with FHWA is that this maybe a protest on the bid. NCMA conducted a bid evaluation base on the outcome of the bid opening. Five bidders responded and lowest bid was Rex International(\$1,538,819.00), SmithBridge Guam (\$1,554,814.73), BME & Sons (\$1,898,966.50), IMCO(\$1,898,966.00), & IBCM(\$2,409,913.00). Awaiting the DPW's issuance of NTP to the selected responsive bidder. DPW is preparing the documents for contract approval signatories from BBMR, AG, & Governor's Office.

Contract was signed on 12/19/2013 & currently it is in the permitting process, contractor submit the building permit application on 2/7/2014. NTP will follow once DPW permit is obtained.

- 2) PROJECT:** **Installation of MOV at Golf Pier Fuel Pipelines**
IFB NUMBER: PAG CIP-013-001
PROJECT AMOUNT: \$324,400.41
DESIGNER: N.C. Macario & Associates
FUNDING SOURCE: Port Authority of Guam
A/E Completion time: December 14, 2012
PAYMENT TO DATE: \$147,095.10
BALANCE TO DATE: \$177,305.31
CONTRACTOR: BME & SONS Inc.
NOTICE TO PROCEED: April 22, 2013
CHANGE ORDER: \$0
COMPLETION TIME: September 21, 2013, extended to January 15, 2014
Construction Manager: Port Authority of Guam & NCMA (limited time)
WORK STATUS: Preliminary Notice to Proceed (PNTP) was issued on March 14, 2013. Awaiting building permit and review of submittal documents. DPW building permit was issued on March 25, 2013. Contractor is awaiting the pending valve submittal from the valve supplier. Contractor mobilize on May 13, 2013. BME start pavement layout for underground conduit runs. Four electrical hand holes were on site, installation on hold due to back to back vessel tanker operations. BME start the pavement cutting & excavation in preparation for the underground conduit run. Underground conduit run for terminal control completed & backfilled. Layout exposed conduit run around the building is complete. BME to schedule the hot mix asphalt pour crossing gate C4 & C5. Latest MOV arrival status is by 3rd week of Nov.2013 or by 1st week of Dec.2013. Contractor is awaiting the long lead items on the panel boards, check valves, & the Motor Operated Valves with tentative schedule to arrive by the end of

November 2013. BME & Sons submitted an extension letter for another 116 calendar days due to manufacturer's delivery time frame by 1st. week of December 2013 with ETC by 1/15/2014. Latest info on delivery of MOV is 1/9/2014. Mobil Guam to finalize the window for MOV installation upon the the arrival of material. Check valves & panel board are on island. *Second extension letter for 65 calendar days was delivered by BME on 1/17/2014. MOV arrived on 1/29/2014, PAG inspect MOV in BME yard on 2/3/2014. Latest available date to install MOV would be March or early April due to a new tanker vessel schedule. Change order was submitted & is being reviewed by PAG Engineering.*

- 3) **PROJECT:** **Design/Build Port Security Enhancement Project**
IFB NUMBER: PAG-012-006
CONTRACTOR: MAEDA Pacific Corp.
PROJECT AMOUNT: \$2,933,000.00
CHANGE ORDER: \$1,180,766.64
TOTAL AMOUNT: \$4,113, 766.64
FUNDING SOURCE: U.S. Department of Homeland Security Grant # 2008-GB-T8-0148, 2009-PU-R1-0164, 2009-PU-T9-0043, & 2010-PU-TO-0080
- NOTICE TO PROCEED:** January 14, 2013
COMPLETION TIME: January 14, 2014, *extended to May 1, 2014*
PAYMENT TO DATE: \$2,606,748.75
BALANCE TO DATE: \$1,507,017.89
Construction Manager: PB & Port Engineering/CIP Division
WORK STATUS: On-going foundation excavations. Contractor submit the 90% Design submittal. Construction phase will be 6 months. MAEDA submit the 100% design submittal. Foundation permit was secured. Maeda start the foundation excavation & the new storm drain run tie-end. Maeda completed the storm drain tie-ends & slurry backfill. Building's foundation excavation, footing compaction & reinforcement installation are the on-going works. Maeda poured concrete on the inspected foundation forms & start the cmu wall installation. Communication line installation is on-going to various Port building sites. Conduct compaction test on load bearing wall areas on 10/9/2013. Micro ducting work on pavement cutting start on 11/22/2013. Contractor pour concrete on building's windows & flooring on 12/21/2013. *Roof concrete pour was on 1/22/201, parapet was poured 2 weeks later. Micro ducting work is 78% complete in the yard.*
- 4) **PROJECT:** **Concrete Storm Drain Channel System Upgrade**
IFB NUMBER: PAG-012-00
CONTRACTOR: N/A
PROJECT AMOUNT: \$600,000.00 (Conservative estimate)
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: N/A
COMPLETION TIME: 6 months after NTP
PAYMENT TO DATE: \$0

Construction Manager: Port Engineering/CIP Division
WORK STATUS: N/A
NOTE: Bid opening was on October 3, 2012. Lowest responsive bid was \$330,000.00 (BME & Sons). Procurement issued a cancellation letter in regards to GEPA requirements affecting this project. Project on hold for additional funding supplement.

5) **PROJECT:** **New 56 ea. 480V Reefer Outlets & Reefer Lights Installation**
IFB NUMBER: PAG-012-00
CONTRACTOR: N/A
PROJECT AMOUNT: \$950,000.00 (Conservative estimate)
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: N/A
COMPLETION TIME: 8 months after NTP
PAYMENT TO DATE: \$0
Construction Manager: Port Engineering/CIP Division
WORK STATUS: N/A
NOTE: Port Engineering office is finalizing the Technical Provision scope of work for bid packet & will request for funding. Complete the technical provision for bid packet & will endorse for funding. Project is in-line for budget approval.

6) **PROJECT:** **Agat Marina Fish Utility Boom Repair**
IFB NUMBER: PAG-012-0_
CONTRACTOR: N/A
PROJECT AMOUNT: \$20,000. (Grant funding)
FUNDING SOURCE: Department of Agriculture, Sport Fish Restoration/Boating Access Grant #F-21-B1
NOTICE TO PROCEED: N/A
COMPLETION TIME: 30 Calendar days after P.O.
PAYMENT TO DATE: \$0
Construction Manager: Port Engineering/CIP Division
WORK STATUS: N/A
NOTE: Department of Agriculture is finalizing the MOU with PAG. Lowest responsive bid quote shall be reconfirmed from contractor. DoAg advice a hold order. DoAg informed that funding is open to start the repair. Awaiting advice from Strategic & Planning office for new bid solicitation. Awaiting for DoAg's memo on funding confirmation from BBMR. Strategic & Planning office got advice from DoAg to start this project & is a 100% DoAg funding. 30% technical design was finalized & forwarded to Procurement & Planning offices. Procurement is soliciting price quotes from small time contractors. Pre-proposal meeting is scheduled on 9/25/2013. DoAg is waiting for the amendment letter from USFW on this project.
Meeting with USFW & DAWR on 2/6/2014 & was informed that the amendment letter is forthcoming.

- 7) **PROJECT:** **Agat Marina Ramp's Left Side Concrete Catwalk Repair**
RFQ NUMBER: PAG-012-00
CONTRACTOR: N/A
PROJECT AMOUNT: \$60,000.00 (Conservative estimate)
FUNDING SOURCE: Department of Agriculture, Sport Fish Restoration/Boating Access Grant # F-21-B1
NOTICE TO PROCEED: N/A
COMPLETION TIME: 3 months after P.O. issuance
PAYMENT TO DATE: \$0
Construction Manager: Port Engineering/CIP Division
WORK STATUS: N/A
NOTE: Department of Agriculture advice a hold order. Technical provision scope for Bid packet is ready for advertisement. DoAg informed that funding is open to start the repair. Awaiting advice from Strategic & Planning office for bid solicitation. Awaiting for DoAg's memo on funding confirmation from BBMR. DoAg is waiting for the amendment letter from USFW on this project. *Meeting with USFW & DAWR on 2/6/2014 & was informed that the amendment letter is forthcoming.*
- 8) **PROJECT:** **A/E Design Consultant Services**
RFP NUMBER: PAG -013-002
DESIGNER: AmOrient Engineering
PROJECT AMOUNT: \$180,000.00
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: January 6, 2014
COMPLETION TIME: May 6, 2014 (4 Months after NTP)
PAYMENT TO DATE: \$0
WORK STATUS: AmOrient is preparing the design plans & specifications for projects.
NOTE: Procurement is finalizing the bid proposal. Awaiting an account number for funding. Bid proposal is being finalized for legal review. Port committee is reviewing the submitted documents & will prepare analysis for the selected A/E consultant. AmOrient Engineering was selected by the Port committee for this consultancy project. Port Engineering office is preparing the work description for AmOrient on the renovation of High Tower building and the Lower Tower building. AmOrient Engineering submit the scope of work design to PAG for approval on 10/17/2013. PAG cost negotiating team to convene & decide the cost proposal from AmOrient Engineering. Port cost negotiating team reach agreement with AmOrient after negotiation meeting on 11/21/2013 for the amount of \$180K. *PAG issued the design NTP to AmOrient on 1/6/2014 for the three buildings. Consultant submitted the 65% design on 2/4/2014 for PAG review.*
- 9) **PROJECT:** **Agat Small Boat Marina Dock "A" Improvement**
IFB NUMBER: PAG-013-004
CONTRACTOR: Rex International
PROJECT AMOUNT: \$532,100.00

FUNDING SOURCE: NOAA Commission on Fisheries & Port Authority of Guam
NOTICE TO PROCEED: December 16, 2013
COMPLETION TIME: May 18, 2014 (5 Months after NTP)
PAYMENT TO DATE: \$0
Construction Manager: Port Engineering/CIP Division
WORK STATUS: Rex Int. is processing submittals
NOTE: \$250,000.00 grant funding was obtained from NOAA Commission on Fisheries. Needed an additional supplemental budget of \$500K for a complete aluminum dock. Procurement is awaiting Board approval. Advertise for bid solicitation on 8/15/2013. Pre-bid meeting was conducted on 8/28/2013 & bid opening is on 9/17/2013. Procurement office is preparing the bid analysis & confirmation to award. Lowest bid is Rex International (\$532,100.00), BME & Sons (\$705,492.00), & Black Construction (\$767,813.00). PAG issued a notice of intend to award to Rex Int. & submitted the Performance & Payment bonds. Port's legal is reviewing the contract & once approved, Port will issue the NTP. Procurement is processing the account approval prior issuing the NTP. NTP was issued on 12/16/2013 & contractor is preparing the submittals.
65% Design drawings & Design calculations were submitted on 1/24/2014, Port Engineering reviewed the design, make comments & submitted back to the contractor on 1/29/2014. Contractor submit the ACOE permit application on 2/11/2014.

10) PROJECT: Concrete Pole Lighting Upgrade for F5 to F6
IFB NUMBER: PAG-013-005
CONTRACTOR: DCK Pacific
PROJECT AMOUNT: \$231,680.00
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: December 16, 2013
COMPLETION TIME: June 18, 2014 (6 Months after NTP)
PAYMENT TO DATE: \$0
Construction Manager: Port Engineering/CIP Division
WORK STATUS: DCK is preparing submittals for submission.
NOTE: Finalized the technical provision scope for bid packet & will request for funding. Project is in-line for budget approval. Submit the technical provision scope to Procurement office to finalize the bid packet for bid solicitation. Pre-bid meeting was conducted on 8/29/2013 & bid opening is on 9/16/2013. Procurement Office is preparing the bid analysis & confirmation to award. Lowest bid is DCK Pacific (\$231,680.00), & Rex International (\$312,200.00). PAG a notice of intend to award to DCK Pacific for the bond submission. Procurement is processing the account approval prior issuing the NTP. NTP was issued on 12/16/2013 & contractor is preparing the submittals.
DCK/BCS submitted the Final Design drawings on 2/4/2014. PAG reviewed the final design drawings & returned on 2/11/2014. DCK/BCS submit the DPW building permit application on 2/14/2014.

- 11) **PROJECT:** **CY Concrete Wheel Stopper Installation**
IFB NUMBER: PAG-013-00_
CONTRACTOR: N/A
PROJECT AMOUNT: \$450,000.00 (Conservative estimate)
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: N/A
COMPLETION TIME: 8 Months after NTP
PAYMENT TO DATE: N/A
Construction Manager: Port Engineering/CIP Division
WORK STATUS: N/A
NOTE: Finalized the technical provision scope for bid packet & will request for funding. Project is in-line for budget approval. Submit the technical provision to Procurement office to finalize the bid packet for bid solicitation.
- 12) **PROJECT:** **Administration Building Men's 1st Floor Rest Room Upgrade**
IFB NUMBER: PAG-013-00_
CONTRACTOR: N/A
PROJECT AMOUNT: \$15,000.00 (Conservative estimate)
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: N/A
COMPLETION TIME: 2 Months after NTP
PAYMENT TO DATE: N/A
Construction Manager: Port Engineering/CIP Division
WORK STATUS: N/A
NOTE: Draft the technical provision scope for bid packet & will request for funding. This work is to upgrade the first floor men's restroom floor & wall tiles. Finalizing the technical provision scope & will submit to Procurement for bid packet & ads.
- 13) **PROJECT:** **Container Yard Striping Project - Phase I**
IFB NUMBER: PAG-014-001
CONTRACTOR: N/A
PROJECT AMOUNT: \$235,000.00 (Budget estimate)
CHANGE ORDER: \$0
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: N/A
COMPLETION TIME: 9 Months after NTP
PAYMENT TO DATE: \$0
Construction Manager: Port Engineering/CIP Division
WORK STATUS: N/A
NOTE: Draft the technical provision scope for bid packet. Engineering is finalizing the technical specs & will submit to Procurement for bid packet. Funding is to be identified on this priority project. Engineering forwarded the technical scope to Procurement office for bid packet & ads. Advertise bid on 12/19/2013, pre-bid on 12/27/2013.
*Bid opening was on 1/30/2014 with Highway Safety Services(\$73K) & Allied Builders Const.(\$101,300.00).
Procurement office to issue bid analysis & recommend award.*

- 14) PROJECT: Harbor of Refuge Topographic Survey**
IFB NUMBER: PAG-014-00_
SURVEYOR: N/A
PROJECT AMOUNT: \$90,000.00 (Conservative estimate)
CHANGE ORDER: \$0
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: N/A
COMPLETION TIME: 3 Months after NTP
PAYMENT TO DATE: \$0
WORK STATUS: N/A
NOTE: Engineering office drafting the technical provision scope for bid & will request for funding.
- 15) PROJECT: Agat Marina Topographic Survey**
IFB NUMBER: PAG-014-00_
SURVEYOR: N/A
PROJECT AMOUNT: \$90,000.00 (Conservative estimate)
CHANGE ORDER: \$0
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: N/A
COMPLETION TIME: 3 Months after NTP
PAYMENT TO DATE: \$0
WORK STATUS: N/A
NOTE: Engineering office drafting the technical provision scope for bid & will request for funding.
- 16) PROJECT: Lower Tower Building Renovation**
IFB NUMBER: PAG-014-00_
CONTRACTOR: N/A
PROJECT AMOUNT: \$120,000.00 (conservative estimate)
CHANGE ORDER: \$0
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: N/A
COMPLETION TIME: 4 months after NTP
PAYMENT TO DATE: \$0
BALANCE PAYMENT: \$0
Construction Manager: AmOrient Engineering/Port Engineering/CIP Division
WORK STATUS: N/A
NOTE: This is one of the projects that will be under the A/E Consultant services. Port Engineering Office is preparing the work description for renovation. Engineering office forwarded the renovation description to AmOrient Engineering. Consultant submitted the design the design scope to PAG & await for approval. One of the project under the Port cost negotiating team for approval. AmOrient will prepare & submit the design scope on this project.

- 17) PROJECT: High Tower Building Renovation**
 IFB NUMBER: PAG-014-00_
 CONTRACTOR: N/A
 PROJECT AMOUNT: \$25,000.00 (Conservative estimate)
 CHANGE ORDER: \$0
 FUNDING SOURCE: Port Authority of Guam
 NOTICE TO PROCEED: N/A
 COMPLETION TIME: 4 months after NTP
 PAYMENT TO DATE: \$0
 BALANCE PAYMENT: \$0
 Construction Manager: AmOrient Engineering/Port Engineering/CIP Division
 WORK STATUS: N/A
 NOTE: This is one of the projects that will be under the A/E Consultant services. Port Engineering Office is preparing the work description for renovation. Engineering office forwarded the renovation description to AmOrient Engineering. Consultant submitted the design scope to PAG & await for approval. One of the project under the Port cost negotiating team for approval. AmOrient will prepare & submit the design scope on this project.
- 18) PROJECT: *Retiling of 1st. & 2nd. Floor Admin. Bldg. Common Areas***
 P.O. NUMBER: 10767-OF
 CONTRACTOR: *Allied Builders & Construction*
 PROJECT AMOUNT: \$29,950.00
 CHANGE ORDER: \$8,751.09
 FUNDING SOURCE: Port Authority of Guam
 NOTICE TO PROCEED: November 20, 2013
 COMPLETION TIME: January 17, 2014
 PAYMENT TO DATE: \$38,701.09
 Construction Manager: Port Engineering/CIP Division
 WORK STATUS: 100% Complete
 NOTE: Contractor started the second floor tile work on 11/20/2013. Final inspection on 12/24/2013.
- 19) PROJECT: CFS Building Roof Leaks & Spall Repair**
 IFB NUMBER: PAG014-00_
 CONTRACTOR: N/A
 PROJECT AMOUNT: \$220,000.00 (Conservative estimate)
 CHANGE ORDER: \$0
 FUNDING SOURCE: Port Authority of Guam
 NOTICE TO PROCEED: N/A
 COMPLETION TIME: N/A
 PAYMENT TO DATE: \$0
 Construction Manager: AmOrient Engineering/Port Engineering/CIP Division
 WORK STATUS: N/A
 NOTE: Replace roof joint sealants, repair leaks & spall from Bay 1 to 10, and install new roof hatches. *One of the projects under the A/E Consultant Services. AmOrient submitted the 65% design on 2/4/2014 for PAG review. A*

*meeting on review comments with consultant was on 2/11/2014
& the Final Design will be submitted by 3/4/2014.*

20) PROJECT: *Repair of Mooring Bollard @ STA. 23+30*
RFQ NUMBER: *PAGCIP-014-00_*
CONTRACTOR: *Allied Builders & Construction*
PROJECT AMOUNT: *\$15,000.00*
CHANGE ORDER: *\$0*
FUNDING SOURCE: *Port Authority of Guam*
NOTICE TO PROCEED: *February 17, 2014*
COMPLETION TIME: *March 20, 2014 (1 month after NTP issuance)*
PAYMENT TO DATE: *\$0*
Construction Manager: *Port Engineering/CIP Division*
WORK STATUS: *Contractor is processing for the required documents.*
NOTE: *Precon meeting was on 2/3/2014.*

***COMPLETED PROJECTS:**

1) PROJECT: **GDP Marina Renovation & Site Improvement Project, Phase I**
IFP NUMBER: *PAG-010-002*
CONTRACTOR: *Black Construction Corporation*
PROJECT AMOUNT: *\$1,252,000.00*
FUNDING SOURCE: *Department of Interior Office of Insular Affairs Grant # 670090 & 770061*
NOTICE TO PROCEED: *May 2, 2011*
COMPLETION TIME: *March 12, 2012*
CHANGE ORDER: *1) \$234,616.00 (C.O. #1, Channel widening)
2) \$11,576.17 (C.O. #2, Demobilization)*
TOTAL AMOUNT: *\$1,498,192.20*
PAYMENT TO DATE: *\$1,498,192.20*
NOTE: *100% Complete*

2) PROJECT: **10" Waterline Break Repair @ F5, Sta.15+45**
P.O. NUMBER: *P.O. # 10072-OF*
CONTRACTOR: *Barrett Enterprises*
PROJECT AMOUNT: *\$11,852.00*
FUNDING SOURCE: *Port Authority of Guam*
NOTICE TO PROCEED: *August 27, 2012*
COMPLETION TIME: *September 27, 2012*
PAYMENT TO DATE: *\$11,852.00*
Construction Manager: *Port Engineering/CIP Division & Facility Maintenance*
NOTE: *100% Completed*

3) PROJECT: **Troubleshoot Cathodic Protection System**
P.O. NUMBER: *9799 OF*
CONTRACTOR: *CORRPRO*
PROJECT AMOUNT: *\$3,250.00*
FUNDING SOURCE: *Port authority of Guam*
NOTICE TO PROCEED: *May 5, 2012*

COMPLETION TIME: 90 Calendar days
PAYMENT TO DATE: \$3,250.00
Construction Manager: Port Engineering /CIP Division
NOTE: 100% Completed. CORRPRO repaired all the zero readings which was in the corroded splice joints.

- 4) **PROJECT:** **Port CY Lighting Upgrade Project**
IFB NUMBER: PAG-CIP11-001
CONTRACTOR: DCK Pacific Guam
PROJECT AMOUNT: \$748,412.00
FUNDING SOURCE: Homeland Security Grant # PSGP 2007-GB-T7-0437
NOTICE TO PROCEED: January 24, 2012
COMPLETION TIME: Nov. 19, 2012 (300 CD)
BALANCE PAYMENT: \$0
CHANGE ORDER: \$56,867.64
TOTAL AMOUNT: \$805,279.64
PAYMENT TO DATE: \$805,279.64
Construction Manager: AmOrient Engineering & PAG Engineering/CIP Division
Work Status: 100% Completed
NOTE: This project was incorporated with the Port Modernization under MARAD & selected EA Engineering, Science & Technology, Inc. as the prime engineer.
- 5) **PROJECT:** **GDP Marina Dock "B" Repairs**
IFB NUMBER: PAG-011-001
CONTRACTOR: GEMCCO
PROJECT AMOUNT: \$318,000.00
FUNDING SOURCE: Department of Agriculture, Sport Fish Restoration/Boating Access Grant # F-21-B1, & Port Authority of Guam
BID OPENING DATE: November 23, 2010
NOTICE TO PROCEED: April 25, 2012
COMPLETION TIME: August 24, 2012 (122 CD), extended to December 3, 2012
PAYMENT TO DATE: \$318,000.00
Construction Manager: Port Engineering/CIP Division
Work Status: 100% Completed
NOTE: This is a cost sharing project between Department of Agriculture & PAG.
- 6) **PROJECT:** **Electrical Upgrade on Building's Secondary Distribution Sub-Panel Boards**
IFB NUMBER: PAGCIP-011-002
CONTRACTOR: M.D. Crisostomo, Inc.
PROJECT AMOUNT: \$60,874.00
CHANGE ORDER: \$20,857.03
TOTAL AMOUNT: \$81,731.03
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: May 21, 2012
COMPLETION TIME: Oct. 20, 2012, extended to Dec. 19, 2012
PAYMENT TO DATE: \$81,731.03
Construction Manager: Port Engineering/CIP Division
WORK STATUS: 100% Complete

- 7) **PROJECT:** **GDP Marina Dock A & B Pile Extension**
IFB NUMBER: PAG-012-003
CONTRACTOR: BME & Sons, Corp.
PROJECT AMOUNT: \$96,230.00
FUNDING SOURCE: Department of Agriculture, Sport Fish Restoration/Boating
Access Grant # F-21-B1
NOTICE TO PROCEED: September 20, 2012
COMPLETION TIME: January 20, 2013
PAYMENT TO DATE: \$96,230.00
Construction Manager: Port Engineering/CIP Division
WORK STATUS: 100% Complete
NOTE: This is a cost sharing project with DoAg & PAG
- 8) **PROJECT:** **GDP Marina Dock C Repair**
IFB NUMBER: PAG-012-004
CONTRACTOR: Black Construction Corp.
PROJECT AMOUNT: \$278,700.00
FUNDING SOURCE: Department of Agriculture, Sport Fish Restoration/Boating
Access Grant # F-21-B1 & Port Authority of Guam
NOTICE TO PROCEED: September 10, 2012
COMPLETION TIME: January 10, 2013
PAYMENT TO DATE: \$278,700.00
WORK STATUS: 100% Complete
NOTE: This is a cost sharing project with DoAg & PAG
- 9) **PROJECT:** **Wharf F1 Catwalk Repair**
RFP NUMBER: TRISTAR
CONTRACTOR: Rico's General Construction
PROJECT AMOUNT: \$413,419.00
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: March 9, 2012
COMPLETION TIME: February 11, 2013
PAYMENT TO DATE: \$413,419.00
Construction Manager: NET Guam Inc. & Port Engineering/CIP Division
WORK STATUS: 100% Complete
NOTE: Tristar to pay contractor up-front & off-set with rentals.
- 10) **PROJECT:** **Demolition & Fabrication of Two Concrete MH Covers &
Concrete Collar Frame**
P.O. NUMBER: 9663-OF
CONTRACTOR: Santiago Corporation
PROJECT AMOUNT: \$12,776.78
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: February 9, 2012
COMPLETION TIME: March 23, 2012
PAYMENT TO DATE: \$12,776.78
WORK STATUS: 100% Complete
Construction Manager: Port Engineering/CIP Division

- 11) **PROJECT:** **GDP Marina New Water Line**
IFB NUMBER: PAG-012-005
CONTRACTOR: MAEDA Pacific Corp.
PROJECT AMOUNT: \$119,600.00
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: December 10, 2012
COMPLETION TIME: May 10, 2013 (153 CD after NTP)
PAYMENT TO DATE: \$119,600.00
WORK STATUS: 100% complete.
Construction Manager: Port Engineering/CIP Division
NOTE: MAEDA secured the DPW Building Permit (3/8/2013). Mobilization to start by 3/13/2013. Pre-final inspection was conducted on May 3, 2013 & final inspection on May 10, 2013. Punch list correction done on May 21, 2013
- 12) **PROJECT:** **Secondary Feeder Lines Installation in LC-4**
RFQ NUMBER: P.O. # 10510-OF
CONTRACTOR: DCK/BCS
PROJECT AMOUNT: \$78,000.00
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: June 3, 2013
COMPLETION TIME: June 7, 2013
PAYMENT TO DATE: \$78,000.00
WORK STATUS: 100% Complete
Construction Manager: Port Engineering/CIP Division
NOTE: This project was prioritized due to emergency in nature.
- 13) **PROJECT:** **GDP Marina Renovation & Site Improvements Project Phase-II**
IFB NUMBER: PAG CIP-012-007
CONTRACTOR: Black Construction Corporation
PROJECT AMOUNT: \$1,698,877.00
CHANGE ORDER: \$36,814.53 (Construction CO # 1)
TOTAL AMOUNT: \$1,735,691.53
FUNDING SOURCE: Department of Interior of Insular Affairs Grant # 670090 & 770061
NOTICE TO PROCEED: February 6, 2013
COMPLETION TIME: January 3, 2014 (332 CD)
PAYMENT TO DATE: \$1,735,691.53
BALANCE PAYMENT: \$0
Construction Manager: N.C. Macario & Associates / Port Engineering/CIP Division
% COMPLETION: 100% Complete
CM STATUS: Construction Manager cost is from Phase I until Phase 3. \$197,060.92 + \$67,762.00 (Design CO) = \$264,822.92
WORK STATUS: 100% Completed
- 14) **PROJECT:** **Warehouse 1, Demolition of CMU Wall & Concrete Column Spalling Repair**
IFB NUMBER: PAG CIP-013-002
CONTRACTOR: BME & Sons Inc.
PROJECT AMOUNT: \$75,500.00

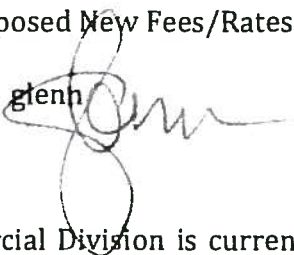
CHANGE ORDER: \$0
FUNDING SOURCE: Port Authority of Guam
NOTICE TO PROCEED: May 6, 2013
COMPLETION TIME: November 4, 2013
PAYMENT TO DATE: \$75,500.00
BALANCE TO DATE: \$0
Construction Manager: Port Engineering/CIP Division
WORK STATUS: 100% Completed

15) PROJECT: Administration Building's Asbestos Tile Removal in 1st. & 2nd. Floor Common Areas

P.O. NUMBER: 10688OF
CONTRACTOR: South Pacific Environmental
PROJECT AMOUNT: \$28,477.30
FUNDING SOURCE: Port Authority of Guam
CHANGE ORDER: \$4,850.00
TOTAL AMOUNT: \$33,327.30
NOTICE TO PROCEED: September 27, 2013
COMPLETION TIME: October 10, 2013 (extended until 11/3/2013)
PAYMENT TO DATE: \$33,327.30
BALANCE TO DATE: \$0
Construction Manager: Port Engineering/CIP Division
WORK STATUS: 100% Completed

Briefing Paper to the Board of Directors

Subject: Proposed New Fees/Rates

Prepared by: glenn 

ISSUE

The Commercial Division is currently exploring new fee structures for certain water and landside activities conducted on Port property. Specifically, a vendor fee for all non-tenant dive operators at Outhouse Beach and Facility use fees for the Family and Port Beach facilities. What follows is provided with cause for consideration to adopt.

PROPOSED NEW FEES

1. Diver's Vendor Fee - the proposed new fee structure is for recreational, discovery diving for profit and instructional diving at Outhouse Beach.

Fee application shall be dependent on the annual gross sales of the requesting parties, for activity from the preceding calendar year. Being proposed is as follows:

Gross Sales	Proposed Fee Structure
Commercial	
\$0 - \$50,000	\$0/yr
\$50,001 - \$149,999	\$500/yr
\$150,000 - \$249,999	\$1,000/yr
\$250,000+	\$1,500/yr
Recreational	\$10/bi-annual
New Vendor	\$100/yr Refundable deposit - this fee shall be held in trust until such time permit holder can provide information on gross sales for the succeeding three month period from point of issuance at which time the appropriate fee shall be assessed forward.

Under the guidance of the Harbor Master, the Port will not be renewing any of the current non-fee dive permits (20 count) until such time the process to adopt and implement the new fee structure is in place. It is important to note for the record that if adopted all insurance and indemnification requirements will remain constant in that all permit holders shall still be required to have an active general liability policy with Port identified as an additional insured party as well as evidence of divers certification.

2. Family Beach Facility Fees - This particular undertaking is specific to establishing a fee structure for cost recovery purposes.

Open Space Picnicking/Canopy \$15/day

Cleaning Deposit Fee	
1-50 Persons	\$50/day refundable deposit
51+ Persons	\$100/day refundable deposit

3. Port Beach - This particular undertaking is also specific to establishing a fee structure for partial cost recovery purposes.

Open Space Picnicking/Canopy	\$15/day
Pavilion	\$50/day

Cleaning Deposit	
1-50 Persons	\$50/day refundable deposit
51+ Persons	\$75/day refundable deposit

Note: Water is not included. Permit holder shall be responsible to pay for such service based on known consumption at time of post event clearance.

IMPLEMENTATION

Request Board approval for Management to adopt the proposed new fees/rates for the activities listed so as to begin process incidental to implementing the new rates for each of the corresponding activities as indicated above. Please note that the activity charges may change as a result of stakeholder feedback.

We will defer to counsel as to whether we are to be guided by Adjudication Act or PUC oversight, considering action being proposed is the establishment of new rates as opposed to a change of an existing fee/rate. Incidentally, we will require the assistance of counsel to serve as hearing officer for any/all proceedings expected during process, and if needed, to re-present matter back to the Board.

3. Public Utilities Commission

i. Public Law 30-19 – Port Rent Revisit Initiative

- a. Fair market analysis of the Port's present day fee structure to determine current market rent for office, warehouse, and open yard ground leases of which may or may not be implemented pursuant to and in manner as called for in Public Law 30-19.

UPDATE – Also attached is the *Summary Appraisal and Consulting Report prepared by C&A relative Item 3.i.a dated November 30, 2012. An abstract of the possible impact to the Port's current rate structure, as a result of the study, is as follows.*

- Office Space \$1.41/ft². The current rate is \$1.63, a decrease of 22%.
- Warehouse Space \$0.70/ft². The current rate is \$0.76, a decrease of 6%.
- Open Space \$0.47/ft². The current rate is \$0.39, a decrease of 7%.

It is understood that this particular study is a point in time valuation that if implemented would obviously negatively impact the Port's finances. Based on a preliminary working report, the impact annual rent roll would be 12% less or minus \$89,705.22 from that of the prior year.

However, it is important to note that Public Law 30-19 does have a provision wherein it addresses matter of future rental assessment even in the event a study reflects a recommendation to reduce the rate structure based on current existing market conditions. Basically, it calls for the implementation of the greater of either a 10% increase over previously charged rate or the amount determined in a recent assessment. In this case the greater of the two is the former which would result in a plus \$72,124 from that of previous year.

Ultimately, staff will defer to the findings of the Public Utilities Commission on manner of application. Reason being is that PL 30-19 precedes the Public Utilities Commission mandate as it relates to Port's rate setting authority. To get to this next point, would require that the Port Board first adopt the findings contained in this recent Captain study so that we may transmit same to the PUC for consideration.

CAPTAIN & ASSOCIATES

REAL ESTATE APPRAISAL & CONSULTING

November 30, 2012

Ms. Mary Torres
General Manager
Port Authority of Guam
Jose D. Leon Guerrero Commercial Port
1026 Cabras Highway, Suite 201
Piti, Guam 96915

Dear Ms. Torres:

Subject: Summary Appraisal and Consulting Report Regarding Analysis of the Port Authority of Guam's Office, Warehouse, Open Yard and Telecommunication Spaces Located at Piti, Island of Guam

In response to your request, we have completed this Summary Appraisal and Consulting Report. The Port Authority of Guam ("PAG") owns the fee simple interest in various office, warehouse, open yard and telecommunication spaces located at the Jose D. Leon Guerrero Commercial Port of Guam ("Port") or ("Commercial Port") in the Municipality of Piti, Island of Guam. The Commercial Port provides the people of Guam with ocean commerce, shipping, recreational and commercial boating as well as sea vessel navigation. PAG provides a critical role with a reported 90 percent of the day-to-day goods and supplies consumed by Guam residents passing through the Port. The Commercial Port became operational in 1969 and requires a significant modernization.

Most recently, an agreement between PAG and the U.S. Department of Transportation's Maritime Administration allows for federal assistance in the Port's efforts to upgrade and modernize the facilities. The Maritime Administration is the lead agency since the Legislature approved the Port Modernization Master Plan. The Master Plan calls for a wide range of upgrades and a capital cost estimate of approximately \$200 million. Various Port upgrade projects are now underway or proposed.

The Port Authority of Guam recently retained Captain & Associates, Inc. to complete appraisal and consulting work to include the analysis of PAG's current fee structure to determine possible rate increases and/or decreases for office, warehouse and short term ground leases (open yard space), to include the appropriate and applicable common area charges and/or a modified gross rent conclusion (exclusive of power). PAG further requires us to determine the telecommunications (ie. telecom support equipment, antennae, and others) site market rent value of the Port Administration and Annex Buildings & Warehouses, including rooftops.

Ms. Mary Torres
November 30, 2012
Page 2

Our conclusions may or may not be implemented pursuant to Public Law 30-19. You represent PAG in these matters and require an appraisal report including estimates of market rent for the subject properties, for Public Law 30-19 related internal decision-making purposes. You further require consulting services regarding the application of benchmark rent conclusions, the impact of tenant improvements and other factors detailed herein.

Our assignment was to prepare a Summary Appraisal and Consulting Report including our estimates of market rent for the subject properties. The function of this appraisal is to provide informed market rent conclusions, in addition to relevant supporting data, upon which Public Law 30-19 internal decisions may be based. The function of our consulting work is to provide the client with guidance in the application of our rent conclusions. The intended users of our report include the client, its authorized representatives and any auditors or regulators that may be involved with oversight. This report is subject to the Assumptions and Limiting Conditions contained in a following section. The effective date of this appraisal is November 9, 2012, the date of inspection by the appraiser/consultant.

Based on our research and analyses completed, subject to the Assumptions and Limiting Conditions stated in this report, assuming typical lease terms, average conditions and benchmark space sizes, our conclusions are summarized as follows.

Summary of Conclusions Table

Type of Space	Benchmark Size (sf)	Market Rent Conclusion (\$/sf/mo.)
Office	1,000	\$1.41
Warehouse	3,400	\$0.70
Open Space	N/A	\$0.39
Telecom	N/A	\$750-\$1,250 per month ¹

Our benchmark conclusions assume lease terms that are typical in the marketplace and are subject to our assumptions and limiting conditions contained herein. Benchmark market rent conclusions may have somewhat limited direct application considering that additional factors may justify the negotiation of rent at levels higher or lower than the benchmarks. The application of a benchmark market rent conclusion across a wide range of space types and sizes is not typical in the market place. It is advised that the client seek reasonable leeway with the negotiation of rents with tenants. It is advisable that our benchmark conclusions are considered in light of specific circumstances including the following.

¹ Rooftop only; additional charges apply for office space if required.

Benchmark Application Factors

- Lease Term
- Tenant Improvements
- Type of Space Leased
- Size of Space Leased

The typical prevailing lease term for a commercial tenant on Guam is two to four years. The length of lease term is typically negotiated and factors considered include lessee relocation expenses, time/distance relationships, business preferences and other factors. Longer lease terms may apply if a tenant invests substantially in build-out, installation of specialized fixed improvements (possibly including cold storage areas and other upgrades). It is unusual for commercial real estate landlords in the private sector to maintain tenancy on a month-to-month basis. This situation may arise if landlords seek a rental increase and tenants are unable to incur additional expenses under a fixed term scenario.

Tenant improvements may also be considered by a landlord negotiating the lease of vacant commercial and industrial space. Tenants may incur significant expense in improving a leased premises with fixed improvements including office space, cold storage and other upgrades. Tenant improvements that are not fixed improvements or are of minimal desirability to alternate tenants may not justify a negotiated rental discount considering that the landlord benefits are minimized under this scenario. Tenant improvements that the landlord will eventually benefit from may be considered by landlords on a cost/amortization basis, which partially allows tenants to recover the cost of investment.

The type of space leased is another factor that should be considered by commercial and industrial property landlords. The current PAG practice of allocating warehouse space at one rent level and interior office space (within the warehouse) at another rent level is not typically reflected in the wider marketplace, particularly if the tenant is responsible for the cost of the improvements. If the industrial space leased benefits from additional improvements such as office, cold storage or other upgrades, the rent charged by the landlord may include a premium for these attributes (assuming such premium is justified in marketplace). Similar factors may impact market rent for commercial office spaces.

Ms. Mary Torres
November 30, 2012
Page 4

The size of space leased is an additional factor that is typically considered by commercial and industrial property landlords in the marketplace. Typically, the overall unit rate rent charged (most commonly \$ per square foot per month) would decline for spaces that are larger than the typical size in the marketplace. Size adjustments can vary widely, and it would not be unusual to see very large space tenants paying unit rates that are less than half of that reflected by an unusually small sized space tenant.

Local real estate market conditions have transitioned from one characterized by massive foreign investment, increasing prices and high liquidity (2005 through mid-2008) to one characterized by extremely limited activity and heightened caution due to the global credit and liquidity crisis, uncertainty regarding the pending military build-up, and issues related to the recent Japan disasters. Although prevailing sentiment is generally cautious, the long-term remains positive due to the massive pending multi-billion dollar military expansion; however, build-up details remain vague. It is possible that negative factors will continue to impact the local real estate market in the near term although "unprecedented" military spending is expected to more than offset negative forces by 2014, unless plans are overhauled or delayed further. During late 2011, employment, tourism and investor sentiment improved although Government of Guam operations remained weak. Since January 2012, tourism has improved significantly while real estate market and economic activity have reflected generally weak or mixed signals, and the risk associated with the previously proposed military build-up has increased to a point where most investors substantially discount or ignore prior, wildly optimistic projections.

Details regarding our research and analyses are contained in the body of this report. An Executive Summary is contained in a following section. W. Nicholas Captain, MAI, CRE has completed numerous appraisals and consulting reports regarding market rent studies on Guam, including ports and other uniquely situated properties, and he is competent to complete this report.

Ms. Mary Torres
November 30, 2012
Page 5

The undersigned hereby certifies that, to the best of my knowledge and belief:

- the statements of fact contained in this report are true and correct;
- the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment our engagement in this assignment was not contingent upon developing or reporting predetermined results;
- I have not completed any services regarding the subject property within the three year period immediately preceding acceptance of the assignment, as an appraiser or in any other capacity;
- my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or a direction in value that favors the cause of the client, the amount of the value opinion, the attainment of stipulated results, or the occurrence of a subsequent event directly related to the intended use of this appraisal;
- this appraisal assignment was not based on a requested minimum valuation, a specific valuation, or the approval of the loan;
- my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute and the Uniform Standards of Professional Appraisal Practice;
- the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives;
- I made a personal inspection of the subject property;
- as of the date of this report, W. Nicholas Captain, MAI, CRE has completed the requirements of the continuing education program of the Appraisal Institute; and,
- no one provided real property appraisal assistance to the person signing this report.

Ms. Mary Torres
November 30, 2012
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Thank you for the opportunity to complete this real estate appraisal and consulting assignment for you.

Sincerely,

CAPTAIN & ASSOCIATES

A handwritten signature in black ink, appearing to read 'W. Nicholas Captain', written over a horizontal line.

W. Nicholas Captain, MAI, CRE
President

Guam Certified Appraiser
License No. CA-09-017
Certificate Expires 03/10/13

WNC/gfl

BOARD OF DIRECTORS

*Francisco G. Santos, Chairman
Christine Won Pat Baleto, Vice Chairperson
Mary Michelle Gibson, Secretary
Timothy T. Kernaghan, Member*



Resolution No. 2014-01

RELATIVE TO RECOGNIZING AND APPRECIATING MR. MICHAEL T. BENITO FOR HIS CONTRIBUTIONS AND SERVICE TO THE PORT AUTHORITY OF GUAM AS A MEMBER OF THE BOARD OF DIRECTORS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, Mr. Michael T. Benito was appointed as a member of the Port Authority of Guam (PAG) Board of Directors on January 19, 2011, confirmed on February 21, 2011 and served through November 12, 2013; and

WHEREAS, Mr. Benito served as Vice Chairman of the Board of Directors through January 31, 2013 at the Port Authority of Guam; and

WHEREAS, as Vice Chairman of the Board, Mr. Benito was very instrumental in diligently providing guidance in the pursuit of achieving the Port's goals and objectives as it relates to the modernization program, Hotel Wharf rehabilitation, as well as with the day-to-day operations; and

WHEREAS, with great tact and proficiency, he was skillful in bringing a cohesive relationship amongst party groups articulating a "going forward" attitude and unified front in meeting the needs of the Port Authority and the people of Guam; and

WHEREAS, during his tenure with the Port Authority Board, was influential in the acquisition of the POLA Cranes; provided direction and leadership as a member of the Project Oversight Team for the Guam Commercial Port Improvement Program which is critical to the path forward to a first class modernized port facility; and provided wisdom and foresight on policy making towards capital improvement projects as it relates to recreational use and projects beneficial to port users, tenants, and the island community; and

WHEREAS, Mr. Benito's presence and participation in the evolution of the Port Authority of Guam will be greatly missed; now therefore be it

RESOLVED, that the employees, Management, and Board of Directors extend their deepest appreciation to Mr. Benito for his dedication and service to the Port Authority of Guam and his efforts to assist the PAG in carrying out its modernization vision and its mission to provide first class service to Guam and the Micronesian region; be it further

RESOLVED, that the Chairman certify to and Board Members attest the adoption hereof and that copy of the same be thereafter transmitted to Mr. Michael T. Benito.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 17th DAY OF FEBRUARY, 2014.

**FRANCISCO G. SANTOS
CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**

**CHRISTINE WON PAT BALETO
VICE CHAIRPERSON, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**

**MARY MICHELLE GIBSON
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**

**TIMOTHY T. KERNAGHAN
MEMBER, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM**

Resolution No. 2014-02

RELATIVE TO RECOGNIZING AND APPRECIATING MR. DANIEL J. TYDINGCO FOR HIS CONTRIBUTIONS AND SERVICE TO THE PORT AUTHORITY OF GUAM AS A MEMBER OF THE BOARD OF DIRECTORS

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY OF GUAM:

WHEREAS, Mr. Daniel J. Tydingco was appointed as a member of the Port Authority of Guam (PAG) Board of Directors on February 1, 2011, confirmed on February 21, 2011 and served through January 13, 2014; and

WHEREAS, Mr. Tydingco served as Chairman of the Board of Directors throughout his tenure at the Port Authority of Guam; and

WHEREAS, as Chairman of the Board, Mr. Tydingco by his esteem leadership was steadfast in guiding the Port in a direction of progress that led to the development of multiple port projects, most notably the Guam Commercial Port Improvement Program, Port Security Enhancements Project and Hotel Wharf rehabilitation; and

WHEREAS, by representation, he engaged various prestigious federal officials in the U.S. Department of Transportation Maritime Administration, U.S. Department of Defense Inspector General, U.S. Department of Agriculture, stakeholders, and the community at-large in sharing the Port's vision and path toward its modernization efforts; and

WHEREAS, under his leadership notable milestones came to fruition that includes the POLA crane acquisition; operation of Cementon Micronesia; Phase I and Phase II Gregorio D. Perez Marina Renovation/Site Improvements; Port Container Yard Lighting Upgrade; and Service Life Extension for the Wharf Repairs loan approval; and

WHEREAS, with the multitude of ongoing port projects and improvements, Mr. Tydingco, with much appreciation, did not forget the true asset of the Port – the hard working men and women as he ensured the payout of their merit bonuses and increments; and

WHEREAS, Mr. Tydingco's presence and participation in the evolution of the Port Authority of Guam will be greatly missed; now therefore be it

RESOLVED, that the employees, Management, and Board of Directors extend their deepest appreciation to Mr. Tydingco for his dedication and service to the Port Authority of Guam and his efforts to assist the PAG in carrying out its modernization vision and its mission to provide first class service to Guam and the Micronesian region; be it further

RESOLVED, that the Chairman certify to and Board Members attest the adoption hereof and that copy of the same be thereafter transmitted to Mr. Daniel J. Tydingco.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 17th DAY OF FEBRUARY, 2014.

FRANCISCO G. SANTOS
CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

CHRISTINE WON PAT BALETO
VICE CHAIRPERSON, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

MARY MICHELLE GIBSON
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

TIMOTHY T. KERNAGHAN
MEMBER, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

FOR DISCUSSION PURPOSES
DRAFT COPY 02052014

**PORT AUTHORITY OF GUAM
(A COMPONENT UNIT OF
THE GOVERNMENT OF GUAM)**

**FINANCIAL STATEMENTS AND
ADDITIONAL INFORMATION AND
INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2013 AND 2012

FOR DISCUSSION PURPOSES
DRAFT COPY 02052014

INDEPENDENT AUDITORS' REPORT

The Board of Directors
Port Authority of Guam:

Report on Financial Statements

We have audited the accompanying financial statements of Port Authority of Guam (the Authority), a component unit of the Government of Guam, which comprise the statements of net position as of September 30, 2013 and 2012, and the related statements of revenues, expenses, and changes in net position and of cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Port Authority of Guam as of September 30, 2013 and 2012, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 14 as well as the Schedule of Funding Progress on page 34 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Financial Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of operating expenses and summary of salaries and wages are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules of operating expenses and summary of salaries and wages are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of operating expenses and summary of salaries and wages are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The schedule of employees by department has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2014 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

Tamuning, Guam

, 2014

PORT AUTHORITY OF GUAM
(A Component Unit of the Government of Guam)

Management's Discussion and Analysis
September 30, 2013 and 2012

The following Management's Discussion and Analysis (MD&A) of the Port Authority of Guam (PAG, Port, Authority) provides an overview of the activities and financial performance for the fiscal years ended September 30, 2013 and 2012. The information contained in this MD&A has been prepared by management and should be considered in conjunction with the financial statements and the accompanying notes which follow this section and are integral to the data contained in the financial statements.

ABOUT THE AUTHORITY

The Port Authority of Guam was established as a public corporation and an autonomous agency of the Government of Guam by Public Law 13-87 in October 1975. The Port operates the only commercial seaport in the Territory and, as the primary seaport in Micronesia, serves as a transshipment point for the entire Western Pacific region. It operates the largest U.S. deepwater port in the region and currently handles about 1.9 million tons of cargo a year. The Port owns 5 cargo-handling piers along with two fuel piers and three marinas. The cost of operations and capital improvements are funded largely from the Authority's own revenues.

The Authority is presided over by five board members appointed by the Governor of Guam with the advice and consent of the Legislature. The Board of Directors appoints the General Manager and Deputy General Manager who are responsible for maintenance, operation and development of the Port and the agency's business affairs.

With over 90% of the region's goods and supplies passing through its doorways, the Port's impact on the quality and sustenance of life for residents of the region cannot be overstated. As Guam can only produce limited amounts of food and products on the island, the Port is truly the life link between the region and the rest of the world.

The Authority is dedicated to providing full services to ocean vessels in support of loading and unloading cargo from Guam and Micronesia. The Port Authority of Guam is the main lifeline of consumer goods into the island, and as such, recognizes its responsibility to deliver these goods in a timely manner. In support of this mission, the Port Authority also provides land and infrastructure to private interests to further develop the maritime industries on Guam. As a public corporation, the Authority dedicates all of its profits to the upgrading or equipment and facilities and the continued growth of the island's seaport.

FINANCIAL HIGHLIGHTS

- The net position of the Authority as of September 30, 2013 was \$71.3 million. Of this amount, \$60 million is net investment in capital assets, \$446 thousand is considered restricted and \$10.9 million is considered unrestricted.
- The Port's net position increased by \$93 thousand for fiscal year ended September 30, 2013.
- The Port's total assets increased by \$13.4 million during the fiscal year ended September 30, 2013. The major components of this change were an increase in current assets by \$4.2 million and increase in capital assets by \$9.2 million.
- The total liabilities increased by \$13.3 million during fiscal year ended September 30, 2013. The major component of this change was due to increase in non-current liabilities of \$10.9 million.
- Since Fiscal Year 2003, the Port's finances have consistently showed an increase in net assets for 11 straight years.
- The Port obtained a \$12 million loan from ANZ Bank in December 2012 for the purchase of 3 used Gantry Cranes.

PORT AUTHORITY OF GUAM
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Overview of Financial Statements

The Authority's basic financial statements consist of the following: 1) statements of net position, 2) statements of revenues, expenses, and changes in net position, 3) statements of cash flows and 4) notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements.

The statements of net position present information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The statements of revenues, expenses, and changes in net position present information showing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Financial Analysis

The largest portion of the Authority's net position (84%) reflects its investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets, and excluding any outstanding debt proceeds. The Authority uses these assets to provide services to its customers; consequently these assets are not available for future spending. Although the Authority's investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the Authority's net position represents resources that are unrestricted net position which may be used to meet the Authority's ongoing obligations to employees and creditors.

A summarized comparison of the Port's assets, liabilities, and net position at September 30 is as follows:

Condensed Statements of Net Position
(In thousands)

<u>ASSETS</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Current and other assets	\$ 20,593	\$ 16,350	\$ 15,983
Capital assets	<u>74,591</u>	<u>65,456</u>	<u>64,406</u>
Total assets	\$ <u>95,184</u>	\$ <u>81,806</u>	\$ <u>80,389</u>
<u>LIABILITIES AND NET POSITION</u>			
Current liabilities	\$ 8,394	\$ 5,982	\$ 6,445
Non-current liabilities	<u>15,464</u>	<u>4,591</u>	<u>4,764</u>
Total liabilities	<u>23,858</u>	<u>10,573</u>	<u>11,209</u>
Net position:			
Net investment in capital assets	59,933	62,255	61,051
Restricted – expendable	446	-	-
Unrestricted	<u>10,947</u>	<u>8,978</u>	<u>8,129</u>
Total net position	<u>71,326</u>	<u>71,233</u>	<u>69,180</u>
Total liabilities and net position	\$ <u>95,184</u>	\$ <u>81,806</u>	\$ <u>80,389</u>

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The Authority's total assets increased by \$13.4 million during the fiscal year ended September 30, 2013, from \$81.8 million in FY 2012 to \$95.2 million in FY 2013.

The increases were primarily due to the increases in the Port's current assets by \$4.2 million or 26% and property, plant and equipment by \$9 million or 14%. Total liabilities increased by \$13 million or 126% from \$10.6 million in FY 2012 to \$23.9 million in FY 2013. This was primarily due to the increase in Port's non-current liabilities for the loan to acquire three used Gantry Cranes. The net position increased by \$93 thousand during the fiscal year ended September 30, 2013. Net position invested in capital assets net of related debt decreased by \$2.3 million, restricted net position increased by \$446 thousand and unrestricted net position increased by \$2 million.

Key elements of these changes are identified in the following schedule of changes in net position and related explanations.

Port Authority of Guam
Changes in Net Position
(In thousands)

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Operating revenues:			
Cargo throughput charges	\$ 29,724	\$ 23,785	\$ 23,605
Wharfage charges	4,185	4,089	3,939
Equipment and space rental	7,503	6,893	7,453
Special services	313	359	368
Other operating revenue	<u>185</u>	<u>121</u>	<u>485</u>
Total operating revenue	<u>41,910</u>	<u>35,247</u>	<u>35,850</u>
Operating expenses:			
Operations	10,335	9,205	9,191
Equipment maintenance	7,651	5,266	5,609
Facility maintenance	1,496	1,500	1,468
Management and administration	8,832	8,762	8,236
General expenses	<u>7,453</u>	<u>6,445</u>	<u>7,416</u>
Total operating expenses before depreciation	<u>35,767</u>	<u>31,178</u>	<u>31,920</u>
Operating income before depreciation	6,143	4,069	3,930
Depreciation	<u>4,893</u>	<u>3,720</u>	<u>3,351</u>
Operating income	1,250	349	579
Nonoperating expenses, net	<u>5,942</u>	<u>2,000</u>	<u>2,491</u>
Loss before capital contributions	(4,692)	(1,651)	(1,912)
Capital contributions-US Government Grants	<u>4,785</u>	<u>3,703</u>	<u>4,413</u>
Increase in net position	93	2,052	2,501
Net position at beginning of the year	<u>71,233</u>	<u>69,181</u>	<u>66,680</u>
Net position at end of year	\$ <u>71,326</u>	\$ <u>71,233</u>	\$ <u>69,181</u>

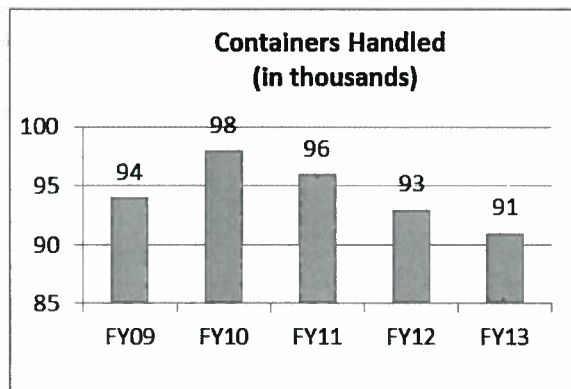
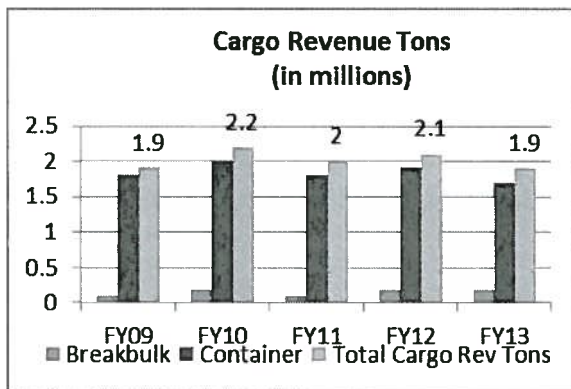
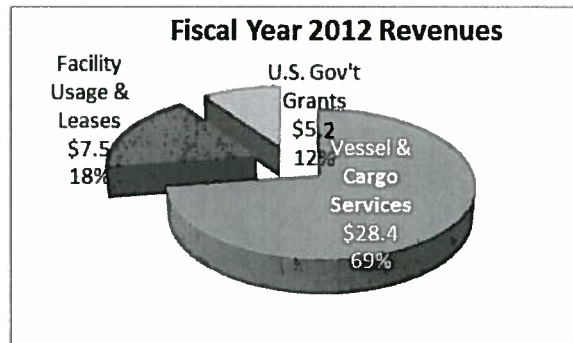
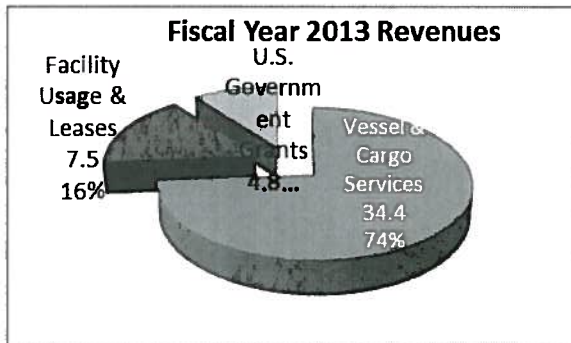
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Revenues

- PAG Docket 12-02, Crane Surcharge was approved by the PUC on December 11, 2012 and rates were implemented on January 1, 2013. The petition established a crane surcharge of \$105 per loaded import/export and loaded transshipment. This rate increased to \$125 on March 1, 2013. \$5 per revenue ton for import/export and transshipment breakbulk, with a cap of \$105 per unit.
- Vessel and cargo services revenues in FY 2013 increased by \$6 million. The increase was primarily due to the new crane surcharge fee.
- Facility usage and leases increased by 9% or \$610 thousand, from \$6.89 million in FY 2012 to \$7.5 million in FY 2013.
- Federal contributions in FY 2013 increased by \$1 million, from \$3.7 million in FY 2012 to \$4.8 million in FY 2013.

Vessel and cargo services in FY 2012 decreased by \$43 thousand compared to FY 2011 primarily due to decreased total containers handled of 3 thousand or 3%, from 96 thousand containers in FY 2011 to 93 thousand containers in FY 2012. Due to the tariff increases, the impact on vessel and cargo revenues resulting from the decrease in the number of containers handled was minimal.



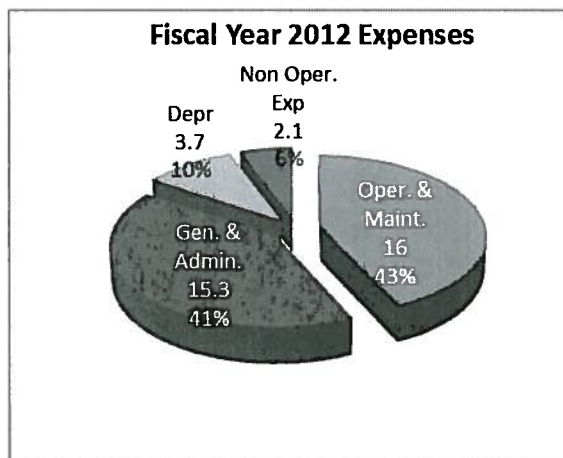
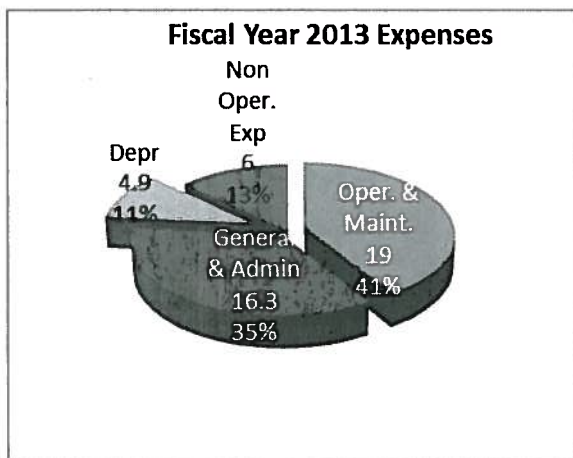
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Expenses

In Fiscal Year 2013, total operating expenses were \$40.8 million and non-operating expenses were \$6 million. Operating expense increased by \$5.9 million and non-operating expenses increased by \$3.9 million compared to fiscal year 2012. Operation and maintenance salaries and benefits increased due to overtime increase of \$661 thousand or 100% due to implementation of new scheduling, repairs and maintenance increase of \$1.9 million as a result of the maintenance/repairs associated with the three Gantries acquired, and the payout of increments as a result of the Government lifting the increment freeze. General and administrative expenses increased by \$1 million due to \$200 thousand of Merit Bonus paid out as a result of Public Law 21-59, increases in legal fees, and loan fees. Depreciation expense increased by \$1.2 million or 32% due to the reclassification of a completed construction in progress project on GDP Dock A, B, & C Repair/Replacement and F1 Catwalk Replacement and purchase of new assets in FY 2013 to include the acquisition of 3 Gantry Cranes. Non-operating expenses increased by \$3.9 million due to reclassification of construction in progress projects for a master plan that will not be done due to the re-set of the GCPIP, loss on survey of Gantry 2 and interest expense for the \$12 million loan.

In Fiscal Year 2012, total operating expenses were \$34.9 million and non-operating expenses were \$2.1 million. Operating expense decreased by \$266 thousand and non-operating expenses decreased by \$1.1 million compared to fiscal year 2011. Operation and maintenance salaries and benefits increased due to 10 new employees hired during the fiscal year; however, the overall expense of operation and maintenance decreased by \$300 thousand as a result of reduced operational supplies. General and administrative expenses decreased by \$302 thousand due to decreases in professional services of 37%, other contracts of 27%, and supplies of 25%. Depreciation expense increased by \$369 thousand or 11% due to the reclassification of a completed construction in progress project on GDP renovation phase 1 and purchase of new assets in FY 2012.



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Port Modernization Plan

Overview

The Port Modernization Program, as authorized by the Guam Legislature, spans a 30-year planning horizon and is valued at a little more than \$260 million. Phase I-A and Phase I-B of the program focuses on near term critical maintenance and repair of waterfront activities and improvements needed to handle near-term cargo of the military buildup, and projected organic population increases. Phase II of the program will occur 20 years into the future and focuses on the expansion needed to address the cargo demands of the long-term growth of Guam and its neighboring islands.

The Authority is currently on Phase I-A of its Port Modernization Program. Phase I-A includes reconfiguration and expansion of the break-bulk laydown area, renovation of the CFS Building creation of a new gate complex, and upgrade of utilities and security features. Phase I-A is to be funded by a \$50 million appropriation from the Department of Defense.

\$50 million appropriation from the Department of Defense

In June 2008, the Authority partnered with the Maritime Administration (MARAD), through a Memorandum of Understanding (MOU), for the "Port of Guam Improvement Enterprise Program" (the Program). MARAD was designated as the lead federal agency assisting the Port in securing funding sources to modernize its facilities and operations. Under the Program, MARAD's role is to provide federal oversight and coordination of projects under the program, act as a central procurement organization, leverage federal, non-federal and private funding sources, and streamline the environmental review and permitting process. This partnership with MARAD was formalized through U.S. Public Law 110-417, National Defense Authorization Act for 2010. U.S. Public Law 110-417 also established the "Port of Guam Improvement Enterprise Fund" (the Fund) which is a separate account in the Treasury of the United States and will be used to receive funding from federal and non-federal sources to carry out the Program.

In July 2010, the United States House of Representatives passed the 2010 Supplemental Appropriations Act which provided \$50 million for the Port Modernization Program. This bill was signed by President Barack Obama in August 2010. The appropriation of \$50 million was transferred from the Department of Defense to the Fund on September 22, 2010. As set out in the MOU, the fund will be administered and disbursed by MARAD, with the approval/authorization of the Authority.

\$54.5 million funding from the USDA

On October 22, 2010, the USDA awarded a \$54.5 million loan appropriation to the Authority to complete the funding of Phase I-A of the Port Modernization Program. This loan consists of the following:

- \$25 million USDA Community Facilities Direct Loan
- \$25 million USDA Community Facilities Guaranteed Loan with ANZ Guam, Inc. (ANZ)
- \$4.5 million USDA Guaranteed Term Loan with ANZ

On the same date, the Authority received the proceeds of the USDA Guaranteed Term Loan with ANZ of \$3,500,000.

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USDA Rural Development Community Facility Loans

Presented below are the USDA Rural Development Community Facility (CF) Loan Commitments as of September 30, 2013, which are intended for the Authority's specific projects (i.e., purchase of a Gantry Crane, Port Modernization Plan and purchase of top lifters and other cargo handling equipment (TLOCHE)):

	<i>USDA Loan Commitments:</i>		<i>Intended for the following Projects:</i>		
	<u>Direct*</u>	<u>Guaranteed*</u>	<u>Gantry Cranes</u>	<u>Modernization</u>	<u>TLOCHE</u>
CF Loan 1	\$ 2,000,000	\$ -	\$ 2,000,000	\$ -	\$ -
CF Loan 2	-	5,000,000	5,000,000	-	-
CF Loan 3	-	7,000,000	7,000,000	-	-
CF Loan 4	-	4,500,000	-	-	4,500,000
CF Loan 5	25,000,000	-	-	25,000,000	-
CF Loan 6	-	-	-	-	-
	<u>\$ 27,000,000</u>	<u>\$ 16,500,000</u>	<u>\$ 14,000,000</u>	<u>\$ 25,000,000</u>	<u>\$ 4,500,000</u>

*Proceeds of the CF Direct Loans will come from USDA, while the rest are from ANZ which is "Guaranteed" by the USDA.

CF Loan 4 (Guaranteed) of \$4,500,000 intended for the purchase of cargo handling equipment, for more information please refer to Notes to Financial Statements, Long-term Bank Debt.

CF Loans 4 (Guaranteed), 5 (Direct) and 6 (Guaranteed) totaling \$54.5 million pertains to the Port Modernization Plan as per Public Law 30-57. The Authority intends to first use the \$50 million appropriation from the Department of Defense and then the CF Loans 5 (Direct) and 6 (Guaranteed) totaling \$50 million (at \$25 million each) for its Port Modernization Plan. However, due to changes in certain factors relating to the military buildup and cargo forecast, management does not intend to utilize the \$25 million CF Loan 6 (Guaranteed), and on April 17, 2012, the Authority officially withdrew the loan application for the \$25M Guaranteed Loan.

On November 30, 2011, USDA communicated with the Authority that the \$25 million CF Loan 5 (Direct) is to be used within a reasonable amount of time after obligation. Given the current budget situation in the U.S. Congress, all loans that have been "obligated" but not yet closed and/or disbursed are facing increased scrutiny. USDA encouraged the Authority to finalize their plans to use the proceeds from CF Loan 5 (Direct) by December 31, 2011. The Authority requested the USDA to extend the CF Loan 5 (Direct). As of the audit report date, the loan remains available and undisbursed.

CF Loans 1 (Direct), 2 (Guaranteed) and 3 (Guaranteed) totaling \$14 million is intended for the procurement of gantry cranes pursuant to Public Law 30-100 which mandates the Authority to acquire at least two gantry cranes no later than December 31, 2012. On November 2011, Public Law 31-145 was enacted that authorized the Authority to enter into negotiations with Matson and Horizon for the specific purpose of acquiring one or more of the Port of Los Angeles (POLA) gantry cranes through purchase or lease-to-own.

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On June 5, 2012, the Port Board of Directors approved and ratified the purchase of the 3-POLA cranes and Gantry 3 for \$12 Million. On August 27, 2012, Public Utilities Commission (PUC) approved the Sales Agreement and Interim Maintenance Agreement related to the purchase of the POLA Cranes. Subsequently, PUC in their meeting of September 25, 2012, authorized the Authority to proceed with finalizing the loan documents with the financial institution. In compliance of the statute, on December 2012, the closing of the \$12M loan and official signing of the Sales Agreement for the purchase of the POLA Cranes was completed. The Authority anticipates that the CF Loan 1 (Direct) for \$2M that is intended for the procurement of gantry crane be reprogrammed to secure the acquisition of cargo handling equipment.

The Military Buildup Program experienced a call for a re-set. The Port's response to the DOD re-set includes the formulation of a Balanced Modernization Program to include Wharf Service Life Extension and a reduction to Phase 1A to remain within the available Port Enterprise Program funds.

Furthermore, in response to the re-set, the Port's Owner Agent Engineer, PBI, prepared the Port Authority of Guam 2013 Master Plan Update, which provides a comprehensive view of the Port's current condition, identifies elements of continuous improvement and sustainability. An Implementation Plan was developed in conjunction with the 2013 Master Plan Update that evaluated Port improvement and sustainability requirements, and determined a balance approach for meeting these requirements.

The Port's 2013 Master Plan Update also contains a Financial Analysis and Economic Impact Assessment that provides a five-year near-term emphasis on improvements to both Port efficiency and the creation of additional cargo handling capacity in anticipation of the military build-up, as well as a 20-year long term focus on addition improvements targeted towards achieving operational and financial sustainability, and self-sufficiency through tariff adjustments to reduce or eliminate dependence on outside funding assistance.

A public hearing for the 2013 Master Plan was held on December 23, 2013, in compliance with Title 5 GCA, Chapter 1, Article 2, Centralized Planning. Per the statute, the maximum timeframe for full review and adoption of the plan is June 1, 2014.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

The Authority's investment in capital assets as of September 30, 2013, totaled \$74.6 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvement other than buildings, office and cargo handling equipments, inventory and construction-in-progress. The total net increase in the Authority's investment in capital assets for the current fiscal year was \$9.1 million or 14%.

Major capital asset activity during 2013 included the following:

- Building and wharf improvements increased by \$2.1 million due to the completion of GDP Dock A,B & C Repair/Replacement, F1 Catwalk Replacement, GDP New Waterline and Container Yard Lighting.
- Crane increased by \$8 million due to acquisition of Gantry 4, 5, and 6 and disposal of Gantry 2.

See note 3 to the financial statements for additional information on the Authority's capital asset activity during the years ended September 30, 2013 and 2012.

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Debt

The Authority obtained a \$3.5 million loan from ANZ bank in October 2010 for the purchase of 4 brand new Hyster Top Lifters and 10 brand new Ottawa terminal yard tractors. At the end of 2012, the Authority had total debt outstanding of \$3 million.

In December 2012, the Authority obtained a \$12 million loan from ANZ bank for the purchase of 3 used gantry cranes. At the end of 2013, the total debt outstanding was \$11.6 million.

The financial covenant of the loan requires the following ratios:

- a) Interest Coverage Ratio: PAG shall maintain an Interest Coverage Ratio of 1.5 to 1, calculated as follows:

$$\frac{\text{Net Profit (Loss) Before Depreciation, Interest, Taxes and Amortization}}{\text{Total Interest Expense}}$$

- b) Debt Service Coverage Ratio: PAG shall maintain a Debt Service Coverage ratio of 1.30 to 1, calculated as follows:

$$\frac{\text{Net Profit (Loss) Before Depreciation, Interest, Taxes and Amortization}}{\text{Total Interest Expense} + \text{Principal Debt Reductions}}$$

The interest coverage ratio is 7.82 and the debt service coverage ratio is 4.49.

See note 5 to the financial statements for additional information on the Authority's financing activities during the years ended September 30, 2013 and 2012.

FISCAL YEAR 2014 OUTLOOK

The following are the courses of action that the Port plans to accomplish or complete in FY 2014:

Interim Tariff Petition

In May 2013, the Port Board of Directors approved the Interim Tariff Petition of 5.65% across the board rate increase (excluding crane surcharge and fuel throughput). In July 2013, the Authority submitted its Petition to the PUC to increase the tariff rates for the generation of sufficient revenue to cover operating costs of the Port Authority, and service the loan required for planned improvements of the wharfs, the acquisition of cargo handling equipment and the Financial Management Systems Upgrade. The approval of the interim rate is expected by January 2014 and implementation of new rate in March 2014.

Facility Maintenance Fee Projects

Through the Facility Maintenance Fee, the Authority proceeded with the following projects:

- Dockside lighting
- Container Yard Stripping
- Lower/Higher Tower Renovations
- CFS Spalling

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Performance Management Contract (PMC) for the Maintenance of Gantry Cranes

Pursuant to PL 31-145, the Authority is to acquire PMC for the performance, operation and maintenance of the acquired cranes. The Authority has begun the negotiations of the PMC Services and is expected to make the contract award within the fiscal year 2014.

Port Security Grant Program (PSGP)

As part of the Port Security Grant Program of the U.S. Department of Homeland Security, the Authority was awarded over \$9.7 Million in federal security grants to help secure the commercial port. Through this program, the Authority proceeded with the following projects:

- Maritime and Port Security Operations Center and Port Security Enhancements Project: The construction work to build a centralized Port Command Center, as well as the integration of all CCTV, access control, communications and security systems was awarded in November 2012 with a projected completion date of January 2014. Project is still ongoing.
- Procurement of Mobile Containerized X-Ray Screening System, 3-Prime Power Backup Generators and Harbor Master's Communication System are other funded projects that are expected to be completed by FY 2014.
- Construction of CMU Wall and Replacement of Perimeter Security Fencing funded by the Port's 2013 PSGP with a completion date of September 2015.

Gregorio D. Perez Marina Renovation

Through federal grant awards from the Department of Interior/Office of Insular Affairs and USFW, the Gregorio D. Perez "Hagatna" Marina has undergone several capital improvement projects. Subsequent to the project completion of the Hagatna Marina Dock A and B Pole Extensions, Dock B Repairs, and Dock C Replacements in 2013, the Hagatna Marina Renovation and Site Improvement-Phase 2 is currently on going and is programmed to be completed within fiscal year 2014.

Agat Small Boat Marina Renovation

The Western Pacific Regional Fishery Management Council has recently awarded the Authority a \$250,000 federal grant to fund dock improvements at the Agat Small Boat Marina. This amount was not sufficient to complete repairs therefore, the Port has budgeted \$500,000 to fund the complete repair of Dock-A. The Authority has programmed to solicit and award this improvement project within the fiscal year 2014.

Other Marina and Harbor of Refuge Projects

- Renovation of the Guam Harbor of Refuge-Architectural and Engineering Design including Environmental Study Phase for the moorings
- Renovation of the Existing Pump-out Stations at the Marinas
- Agat Small Boat Marina Dock C & D Repairs
- Agat Small Boat Marina Replacement of existing rusty fish hook at the facility.

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Port Modernization Program (Guam Commercial Port Improvement Program)

As a result of the planned U.S. military relocation to Guam, the Port updated its Master Plan in 2007 as the framework of the Port Modernization Program. In 2011, the Military Buildup Program experienced a call for a re-set, requiring an updated Environmental Impact Statement, which delays and downsizes cargo projections and creates significant uncertainty for cargo-related revenue projections. Due to changing factors resulting from the reduction in the scope and timeline for the military buildup and corresponding impact on cargo forecasts, the Port Modernization Program was re-set and reconfigured to address organic growth.

The Guam Commercial Port Improvement Program (GCIPI) aims to expand its terminal yard operations area, upgrade its equipment and maintenance capabilities and improve its waterfront access. The GCIPI projects are preliminary improvements to meet the minimum requirements of PL 29-125, the needs of the people of Guam, reduced relocation military troops and modernize critical facilities at the Commercial Port. Projects under the GCIPI include the following:

- Container Freight Station Building Renovation: The construction work has been awarded and expected to be completed by February 2014.
- Selected Break Bulk Yard Modifications: The Notice to proceed for the project was issued in August 2013, with completion targeted for May 2014.
- Container Yard and Gate House Expansion Project: A contract award is anticipated by the third quarter of fiscal year 2014, with estimated completion by August 2015.

Replacement/Upgrade of Golf Pier Fuel Pipeline

The Replacement/Upgrade of the existing fuel lines at the Golf Pier is a joint project with the Department of Public Works. This project will be funded by the Federal Highway Administration (FHWA) and in part by the Port Authority of Guam. The design work for this project was commissioned by the Authority and has since been turned over to FHWA/DPW for bid packaging. The contract has been awarded in January 2014 with estimated completion by November 2014.

Service Life Extension (SLE) Program

The SLE Program was developed to address unforeseen structural repair work at the Port's F-5 Wharf, upgrade of the existing Financial Management Systems and acquisition of cargo handling equipment. After obtaining approval from the Port's Board of Directors, the Authority engaged the Guam Economic Development Authority (GEDA) to begin soliciting the financing services on behalf of the Port to fund the SLE Program for \$10 Million. In September 2012, GEDA issued the solicitation package and is expected that the contract award will take place within February 2014. Upon obtaining approval of this loan, the following projects under the SLE Program are expected to begin:

- Construction Repairs to F5 Wharf
- Marine Repairs to Berths F3, F4, and F6
- Upgrade of JD Edwards Financial Management System
- Procurement of Cargo Handling Equipment

PORT AUTHORITY OF GUAM
(A Component Unit of the Government of Guam)

Management's Discussion and Analysis
September 30, 2013 and 2012

CONTACTING THE PORT'S FINANCIAL MANAGEMENT

The Management's Discussion and Analysis report is intended to provide information concerning known facts and conditions affecting the Port's operations. This financial report is designed to provide a general overview of the Port Authority's finances and to demonstrate the Port's accountability for the funds it receives and expends.

Management's Discussion and Analysis for the year ended September 30, 2012 is set forth in the Authority's report on the audit of financial statements which is dated February 15, 2013. That Discussion and Analysis explains in more detail major factors impacting the 2012 financial statements. A copy of that report can be obtained via the contact below.

For additional information about this report, please contact Joann B. Conway, Port Authority of Guam, 1026 Cabras Highway Suite 201, Piti, Guam 96915 or visit the website at www.portguam.com.

PORT AUTHORITY OF GUAM
(A Component Unit of the Government of Guam)

Statements of Net Position
September 30, 2013 and 2012

<u>ASSETS</u>	<u>2013</u>	<u>2012</u>
Current assets:		
Cash and cash equivalents - unrestricted	\$ 10,848,206	\$ 10,886,253
Accounts receivable, net of allowance for doubtful accounts of \$812,332 and \$971,565 in 2013 and 2012	9,156,152	5,209,762
Prepaid expenses	11,464	128,485
Total current assets	<u>20,015,822</u>	<u>16,224,500</u>
Cash and cash equivalents - restricted expendable	445,691	-
Replacement parts inventories, net of allowance for obsolescence of \$61,393 in 2013 and \$76,304 in 2012	131,149	125,875
Depreciable property, plant and equipment, net	55,170,099	46,372,709
Nondepreciable property, plant and equipment	19,421,658	19,083,165
	<u>\$ 95,184,419</u>	<u>\$ 81,806,249</u>
 <u>LIABILITIES AND NET POSITION</u> 		
Current liabilities:		
Current portion of long-term bank debt	\$ 708,048	\$ 165,692
Accounts payable, trade and others	5,496,307	4,032,769
Security deposits and other payables	520,305	337,870
Accrued payroll and withholdings	369,046	321,687
Current portion of accrued annual leave	1,063,410	940,610
Unearned revenue	237,301	183,361
Total current liabilities	<u>8,394,417</u>	<u>5,981,989</u>
Long-term bank debt, net of current portion	13,950,936	3,035,317
Accrued annual leave, net of current portion	296,904	449,967
Accrued sick leave	1,216,520	1,105,722
Total liabilities	<u>23,858,777</u>	<u>10,572,995</u>
Commitments and contingencies		
Net position:		
Net investment in capital assets	59,932,773	62,254,865
Restricted - expendable	445,691	-
Unrestricted	10,947,178	8,978,389
Total net position	<u>71,325,642</u>	<u>71,233,254</u>
	<u>\$ 95,184,419</u>	<u>\$ 81,806,249</u>

See accompanying notes to financial statements.

PORT AUTHORITY OF GUAM
(A Component Unit of the Government of Guam)

Statements of Revenues, Expenses and Changes in Net Position
Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Operating revenues:		
Cargo throughput charges	\$ 29,724,130	\$ 23,784,571
Equipment and space rental	7,503,461	6,893,541
Wharfage charges	4,184,706	4,088,748
Special services	313,492	359,364
Other operating income	184,589	121,584
	<u>41,910,378</u>	<u>35,247,808</u>
Recovery of (provision for) bad debts	157,916	(17,707)
	<u>42,068,294</u>	<u>35,230,101</u>
Operating expenses:		
Management and administration	8,831,804	8,761,565
Equipment maintenance	7,651,120	5,266,400
Depreciation	4,892,633	3,719,994
Transportation services	4,780,033	4,210,757
Stevedoring services	3,557,879	3,054,227
General expenses	3,185,863	2,388,175
Insurance	2,266,422	1,834,528
Utilities	2,160,286	2,204,216
Terminal services	1,996,973	1,940,149
Facility maintenance	1,495,636	1,500,053
Total operating expenses	<u>40,818,649</u>	<u>34,880,064</u>
Earnings from operations	<u>1,249,645</u>	<u>350,037</u>
Nonoperating (expenses) revenues:		
U.S. Government operating grants	33,851	127,500
Other income (expense), net	(6,235)	3,088
Interest (expense) income, net	(541,162)	(51,173)
Loss from disposal of property, plant and equipment	(664,395)	(754)
COLA/supplemental annuities	(2,156,036)	(2,079,067)
Write-off of property, plant and equipment	(2,608,576)	-
Total nonoperating expenses, net	<u>(5,942,553)</u>	<u>(2,000,406)</u>
Loss before capital contributions	(4,692,908)	(1,650,369)
U.S. Government grants	4,785,296	3,703,010
Increase in net position	92,388	2,052,641
Net position at beginning of year	<u>71,233,254</u>	<u>69,180,613</u>
Net position at end of year	<u>\$ 71,325,642</u>	<u>\$ 71,233,254</u>

See accompanying notes to financial statements.

PORT AUTHORITY OF GUAM
(A Component Unit of the Government of Guam)

Statements of Cash Flows
Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Cash flows from operating activities:		
Cash received from customers	\$ 39,864,363	\$ 35,003,187
Cash payments to suppliers for goods and services	(12,194,793)	(11,071,007)
Cash payments to employees for services and benefits	(24,251,645)	(22,614,392)
Net cash provided by operating activities	<u>3,417,925</u>	<u>1,317,788</u>
Cash flows from investing activity - interest received	<u>190,239</u>	<u>138,047</u>
Cash flows from capital and related financing activities:		
Capital grants received	3,346,777	3,703,010
Proceeds from long-term bank debt	12,000,000	-
Repayment of long-term bank debt	(542,025)	(154,086)
Interest paid	(731,401)	(189,220)
Purchase of property, plant and equipment	(17,301,487)	(4,770,241)
Net cash used in capital and related financing activities	<u>(3,228,136)</u>	<u>(1,410,537)</u>
Cash flows from non-capital related financing activities:		
Operating grants received	33,851	127,500
Other non-capital activities	(6,235)	3,088
Cash provided by non-capital and related financing activities	<u>27,616</u>	<u>130,588</u>
Net increase in cash and cash equivalents	407,644	175,886
Cash and cash equivalents at beginning of year	<u>10,886,253</u>	<u>10,710,367</u>
Cash and cash equivalents at end of year	<u>\$ 11,293,897</u>	<u>\$ 10,886,253</u>
Reconciliation of statements of cash flows to the statements of net position:		
Cash and cash equivalents - unrestricted	\$ 10,848,206	\$ 10,886,253
Cash and cash equivalents - restricted	<u>445,691</u>	<u>-</u>
	<u>\$ 11,293,897</u>	<u>\$ 10,886,253</u>

See accompanying notes to financial statements.

PORT AUTHORITY OF GUAM
(A Component Unit of the Government of Guam)

Statements of Cash Flows, Continued
Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Reconciliation of earnings from operations to net cash provided by operating activities:		
Earnings from operations	\$ 1,249,645	\$ 350,037
Adjustments to reconcile earnings from operations to net cash provided by operating activities:		
Depreciation	4,892,633	3,719,994
Recovery of (provision for) bad debts	(157,916)	17,707
Payments for COLA/supplemental annuities	(2,156,036)	(2,079,067)
Changes in operating assets and liabilities:		
Accounts receivable, net	(2,099,955)	(217,519)
Prepaid expenses	117,021	10,624
Replacement parts inventories, net	(5,274)	(2,003)
Accounts payable, trade and others	1,463,538	(604,885)
Security deposits and other payables	(67,565)	86,720
Accrued payroll and withholdings	47,359	(22,514)
Accrued annual leave	(30,263)	9,015
Unearned revenue	53,940	(27,102)
Accrued sick leave	110,798	76,781
Net cash provided by operating activities	\$ <u>3,417,925</u>	\$ <u>1,317,788</u>

Supplemental non-cash disclosure:

In 2013, \$2,608,576 of construction work in progress was written-off to expense due to downscaling of the original Port Modernization Plan.

See accompanying notes to financial statements.

PORT AUTHORITY OF GUAM
(A Component Unit of the Government of Guam)

Notes to Financial Statements
September 30, 2013 and 2012

(1) Organization and Summary of Significant Accounting Policies

The Port Authority of Guam (the Authority) was created by Public Law 13-87 as an autonomous instrumentality of the Government of Guam to own and operate the facilities of the Commercial Port of Guam. All assets and liabilities were transferred from the Commercial Port of Guam to the Authority at book value effective April 20, 1976. The Authority is governed by a five member Board of Directors appointed by the Governor with consent provided by the Legislature. The Authority is a component unit of the Government of Guam.

The Authority's main cargo handling facilities are located on thirty acres of reclaimed land on Cabras Island in Piti, Guam. Title to this land was transferred from the Government of Guam to the Authority in 1979. Eleven acres of adjacent property was assigned to the Authority from the U.S. Navy at an annual rent of \$1 to be used for future container yard expansion.

The Authority controls and/or manages approximately 260 acres of fast and submerged lands inclusive of the thirty acres noted previously. These areas include the Harbor of Refuge, Aqua World Marina, a portion of the Piti Channel, Agat Marina, Gregorio D. Perez Marina, Hotel Wharf, Dog Pier, Family Beach and the Port Authority Beach. The Guam Economic Development Authority (GEDA) has assigned the management of the thirty-two acre Cabras Industrial Park to the Authority.

On July 14, 2009, Public Law 30-52 placed the Authority under the oversight of the Public Utilities Commission of Guam (PUC). A comprehensive study of the Authority's tariff was performed in 2010 and the proposed rate increases were published in 2011. On January 11, 2012, the PUC approved the Authority's petition for tariff rate increases effective March 1, 2012. Because of the rate making process, certain differences may arise in the application of accounting principles generally accepted in the United States of America between regulated and non-regulated enterprises. Such differences mainly concern the time at which various items enter into the determination of net earnings in order to follow the principle of matching costs and revenues.

Basis of Accounting

The Authority utilizes the flow of economic resources measurement focus. Its financial statements are prepared in accordance with accounting principles generally accepted in the United States as applied to governmental units using the accrual basis of accounting. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Operating and Non-operating Revenues and Expenses

The Authority's revenues are derived primarily from providing various services to major shipping line customers under an approved tariff rate schedule and are reported as operating revenues. Revenue is recognized on the accrual basis and is recorded upon billing when services have been completed. Capital, grants, financing or investing related transactions are reported as non-operating revenues. All expenses related to operating the Authority are reported as operating expenses. COLA/supplemental annuities are reported as nonoperating expenses and revenues. Capital grants and other capital contributions from governmental agencies are recorded as net position when earned. Operating grants are recorded as revenue when earned.

PORT AUTHORITY OF GUAM
(A Component Unit of the Government of Guam)

Notes to Financial Statements
September 30, 2013 and 2012

(1) Organization and Summary of Significant Accounting Policies, Continued

Net Position

Net position represents the residual interest in the Authority's assets after liabilities are deducted and consists of the following three sections:

Net investment in capital assets:

Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets.

Restricted:

Nonexpendable - Net position subject to externally imposed stipulations that require the Authority to maintain them permanently.

Expendable - Net position whose use by the Authority is subject to externally imposed stipulations that can be fulfilled by actions of the Authority pursuant to those stipulations or that expire with the passage of time.

Unrestricted:

Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action by management or the Board of Directors or may otherwise be limited by contractual agreements with outside parties.

Cash and Cash Equivalents

For purposes of the statements of net position and of cash flows, cash and cash equivalents is defined as cash on hand and deposits in banks and time certificates of deposit with initial maturities of three months or less. Restricted cash is separately classified in the statement of net position.

Accounts Receivable and Allowance for Doubtful Accounts

Substantially all of the Authority's accounts receivable as of September 30, 2013 and 2012 are due from international steamship lines/agents which are located or operating on Guam.

The Authority performs periodic credit evaluations of its customers, and generally does not require collateral. Receivables are considered past due when payment is not received within 30 days from the date of billing. As of September 30, 2013 and 2012, receivables that are more than thirty days past due totaled \$3,745,567 and \$1,674,636, respectively. The allowance for doubtful accounts is stated at an amount which management believes will be adequate to absorb possible losses on accounts receivable that may become uncollectible based on evaluations of the collectibility of these accounts and prior collection experience. The allowance is established through a provision for bad debts charged to expense. Uncollectible accounts are written-off against the allowance or are charged to expense in the period the Authority deems the accounts to be uncollectible

PORT AUTHORITY OF GUAM
(A Component Unit of the Government of Guam)

Notes to Financial Statements
September 30, 2013 and 2012

(1) Organization and Summary of Significant Accounting Policies, Continued

Replacement Parts Inventories

Replacement parts inventories consist of spare parts and supplies stated at average cost and are charged to expense as used. Due to the nature and availability of parts necessary for operations, inventory includes items which often are not used within one year. Thus, replacement parts inventories are classified as non-current assets.

Property, Plant and Equipment and Depreciation

Land is recorded at its appraised value on the date of transfer from the Government of Guam. Buildings and structures are stated at cost, which includes interest during the construction period. Equipment is stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets (5 - 40 years for buildings and equipment). Current policy is to capitalize individual purchases over \$1,000 with useful lives exceeding one year. Normal maintenance and repairs are charged to operating expense as incurred; expenditures for major additions, improvements, infrastructure and replacements are capitalized. The cost of assets retired or otherwise disposed of and the related accumulated depreciation are eliminated from the accounts in the year of disposal with the resulting gain or loss credited or charged to nonoperating revenue/expense, respectively.

Compensated Absences

Compensated absences are recorded as a long-term liability in the statements of net position. Estimated amounts to be paid during the next fiscal year are reported as current liabilities. Vacation pay is convertible to pay upon termination of employment.

In accordance with Public Law No. 27-5 and Public Law No. 28-68, employee vacation rates are credited at either 104, 156 or 208 hours per year, depending upon their length of service as follows:

1. One-half day (4 hours) for each full bi-weekly pay period in the case of employees with less than five (5) years of service;
2. Three-fourths day (6 hours) for each full bi-weekly pay period in the case of employees with more than five (5) years of service but less than fifteen (15) years of service; and
3. One (1) day (8 hours) for each full bi-weekly pay period in the case of employees with more than fifteen (15) years of service.

The statutes further amended the maximum accumulation of such vacation credits from 480 to 320 hours. Public Law No. 27-106 amended subsection (c) of 4 Guam Code Annotated § 4109. Employees who have accumulated annual leave in excess of 320 hours as of February 28, 2003, may carry over their excess and shall use the excess amount of leave prior to retirement or termination from service. Any unused leave over the excess shall be lost.

Public Law 26-86 allows members of the Defined Contribution Retirement System to receive a lump sum payment of one-half of their accumulated sick leave upon retirement.

PORT AUTHORITY OF GUAM
(A Component Unit of the Government of Guam)

Notes to Financial Statements
September 30, 2013 and 2012

(1) Organization and Summary of Significant Accounting Policies, Continued

Risk Management

The Authority has commercial insurance coverage for directors' and officers' liability, comprehensive liability, employee dishonesty and forgery, money and securities loss, and automobile injury and property damage. Worker's compensation is managed through the local Department of Labor under the Government of Guam Special Fund (Special Fund); however, the Authority reimburses the Special Fund for the costs of claims. The Authority also has commercial property insurance coverage for 100% of the total net book value of property, plant and equipment, subject to deductibles. The Authority incurred no casualty losses in excess of insurance coverage during the years ended September 30, 2013, 2012 and 2011.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Taxes

As an instrumentality of GovGuam, the Authority and all property acquired by or for the Authority, and all revenues and income there from are exempt from taxation by GovGuam or by any political subdivision or public corporation thereof and from all taxes imposed under the authority of the Guam Legislature, or with respect to which the Guam Legislature is authorized to grant exemption.

New Accounting Standards

During the year ended September 30, 2013, the Authority implemented the following pronouncements:

- GASB Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements*, which addressed how to account for and report service concession arrangements (SCAs), a type of public-private or public-public partnership that state and local governments are increasingly entering into. The implementation of this statement did not have a material effect on the accompanying financial statements.
- GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*, which improved financial reporting for governmental entities by amending the requirements of Statements No. 14, *The Financial Reporting Entity*, and No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, to better meet user needs and address reporting entity issues that have come to light since those Statements were issued in 1991 and 1999, respectively. The implementation of this statement did not have a material effect on the accompanying financial statements.

PORT AUTHORITY OF GUAM
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Notes to Financial Statements
September 30, 2013 and 2012

(1) Organization and Summary of Significant Accounting Policies, Continued

New Accounting Standards, Continued

- GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which enhanced the usefulness of its Codification by incorporating guidance that previously could only be found in certain Financial Accounting Standards Board (FASB) and American Institute of Certified Public Accountants (AICPA) pronouncements issued on or before November 30, 1989, which do not conflict or contradict GASB pronouncements. GASB Statement No. 62 superseded GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*. The implementation of this statement did not have a material effect on the accompanying financial statements.
- GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, which established guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position, and GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which clarifies the appropriate reporting of deferred outflows of resources and deferred inflows of resources to ensure consistency in financial reporting. These Statements amend the net asset reporting requirements in Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. With the implementation of GASB Statement No. 63 and Statement No. 65, the Statement of Net Assets was renamed the Statement of Net Position. In addition, during the year ended September 30, 2013, debt issuance costs of \$116,000 which would have previously been capitalized, were expensed in the period incurred.

In April 2012, GASB issued Statement No. 66, *Technical Corrections - 2012*, which enhances the usefulness of financial reports by resolving conflicting accounting and financial reporting guidance that could diminish the consistency of financial reporting. The provisions of this statement are effective for periods beginning after December 15, 2012. Management has not yet determined the effect of implementation of this statement on the financial statements of the Authority.

In June 2012, GASB issued Statement No. 67, *Financial Reporting for Pension Plans*, which revises existing guidance for the financial reports of most pension plans, and Statement No. 68, *Accounting and Financial Reporting for Pensions*, which revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits. The provisions in Statement 67 are effective for financial statements for periods beginning after June 15, 2013. The provisions in Statement 68 are effective for fiscal years beginning after June 15, 2014. Management has not yet determined the effect of implementation of these statements but is of the opinion that Statement 68 will materially impact the Authority's financial statements.

PORT AUTHORITY OF GUAM
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Notes to Financial Statements
September 30, 2013 and 2012

(1) Organization and Summary of Significant Accounting Policies, Continued

New Accounting Standards, Continued

In January 2013, GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations*, which improves accounting and financial reporting for state and local governments' combinations and disposals of government operations. Government combinations include mergers, acquisitions, and transfers of operations. A disposal of government operations can occur through a transfer to another government or a sale. The provisions in Statement 69 are effective for fiscal years beginning after December 15, 2013. Management has not yet determined the effect of implementation of this statement on the financial statements of the Authority.

In April 2013, GASB issued Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*, which requires a state or local government guarantor that offers a nonexchange financial guarantee to another organization or government to recognize a liability on its financial statements when it is more likely than not that the guarantor will be required to make a payment to the obligation holders under the agreement. The provisions in Statement 70 are effective for fiscal years beginning after June 15, 2013. Management has not yet determined the effect of implementation of this statement on the financial statements of the Authority.

(2) Deposits

GASB Statement No. 40 addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk and foreign currency risk. As an element of interest rate risk, disclosure is required of investments that have fair values that are highly sensitive to changes in interest rates. GASB Statement No. 40 also requires disclosure of formal policies related to deposit and investment risks.

GASB Statement No. 40 requires disclosures for deposits that have exposure to custodial credit risk. Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. Such deposits are not covered by depository insurance and are either uncollateralized, or collateralized with securities held by the pledging financial institution or held by the pledging financial institution but not in the depositor-government's name. The Authority does not have a deposit policy for custodial credit risk.

As of September 30, 2013 and 2012, the carrying amount of the Authority's cash and cash equivalents totaled \$11,293,897 and \$10,886,253, respectively, and the corresponding bank balances were \$11,386,459 and \$11,061,516, respectively, all of which were maintained in financial institutions insured by the Federal Deposit Insurance Corporation (FDIC). As of September 30, 2013 and 2012, bank deposits in the amount of \$750,000 and \$1,868,624, respectively, were FDIC insured. The Authority does not require collateralization of its cash deposits; therefore, deposit levels in excess of FDIC insurance coverage are uncollateralized. Accordingly, these deposits are exposed to custodial credit risk. The Authority has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk on its deposits.

PORT AUTHORITY OF GUAM
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Notes to Financial Statements
September 30, 2013 and 2012

(3) Property, Plant and Equipment

A summary of changes in property, plant and equipment for the years ended September 30, 2013 and 2012 is as follows:

	<u>Beginning Balance</u> <u>October 1, 2012</u>	<u>Transfers</u> <u>and Additions</u>	<u>Transfers</u> <u>and Deletions</u>	<u>Ending Balance</u> <u>September 30, 2013</u>
Depreciable:				
Buildings	\$ 72,898,132	\$ 2,131,182	\$ -	\$ 75,029,314
Equipment	<u>28,728,125</u>	<u>12,223,236</u>	<u>(4,554,114)</u>	<u>36,397,247</u>
	101,626,257	14,354,418	(4,554,114)	111,426,561
Less accumulated depreciation	<u>(55,253,548)</u>	<u>(4,892,633)</u>	<u>3,889,719</u>	<u>(56,256,462)</u>
	<u>46,372,709</u>	<u>9,461,785</u>	<u>(664,395)</u>	<u>55,170,099</u>
Non-depreciable:				
Land	3,563,000	-	-	3,563,000
Construction work-in-progress	<u>15,520,165</u>	<u>5,263,791</u>	<u>(4,925,298)</u>	<u>15,858,658</u>
	<u>19,083,165</u>	<u>5,263,791</u>	<u>(4,925,298)</u>	<u>19,421,658</u>
Total	<u>\$ 65,455,874</u>	<u>\$ 14,725,576</u>	<u>\$ (5,589,693)</u>	<u>\$ 74,591,757</u>
	<u>Beginning Balance</u> <u>October 1, 2011</u>	<u>Transfers</u> <u>and Additions</u>	<u>Transfers</u> <u>and Deletions</u>	<u>Ending Balance</u> <u>September 30, 2012</u>
Depreciable:				
Buildings	\$ 70,692,078	\$ 2,206,054	\$ -	\$ 72,898,132
Equipment	<u>28,174,492</u>	<u>572,048</u>	<u>(18,415)</u>	<u>28,728,125</u>
	98,866,570	2,778,102	(18,415)	101,626,257
Less accumulated depreciation	<u>(51,545,088)</u>	<u>(3,719,994)</u>	<u>11,534</u>	<u>(55,253,548)</u>
	<u>47,321,482</u>	<u>(941,892)</u>	<u>(6,881)</u>	<u>46,372,709</u>
Non-depreciable:				
Land	3,563,000	-	-	3,563,000
Construction work-in-progress	<u>13,521,899</u>	<u>4,735,138</u>	<u>(2,736,872)</u>	<u>15,520,165</u>
	<u>17,084,899</u>	<u>4,735,138</u>	<u>(2,736,872)</u>	<u>19,083,165</u>
Total	<u>\$ 64,406,381</u>	<u>\$ 3,793,246</u>	<u>\$ (2,743,753)</u>	<u>\$ 65,455,874</u>

(4) Employees' Retirement Plan

Defined Benefit Plan

Plan Description:

The Authority participates in the GovGuam Defined Benefit (DB) Plan, a cost-sharing, multiple-employer defined benefit pension plan, administered by the GovGuam Retirement Fund (GGRF) to which all funds and agencies, including component units, as well as employees who are members of the DB Plan, contribute a fixed percentage of qualifying payroll. The DB Plan provides retirement, disability, and survivor benefits to members and beneficiaries who enrolled in the plan prior to October 1, 1995. Cost-of-living adjustments are provided to members and beneficiaries at the discretion of the Guam Legislature.

PORT AUTHORITY OF GUAM
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Notes to Financial Statements
September 30, 2013 and 2012

(4) Employees' Retirement Plan, Continued

Defined Benefit Plan, Continued

All new employees whose employment commences on or after October 1, 1995, are required to participate in the Defined Contribution Retirement System (DCRS). Hence, the DB Plan became a closed group. Membership in the DB Plan was mandatory for all full-time employees, except for those compensated on a fee basis, independent contractors, and persons aged 60 or over upon employment. Most employees may retire with full benefits at age 60 with at least 10 years of service, or after 25 years of service, regardless of age. Vesting of benefits is optional for employees with 3 to 19 years of service, but is mandatory for employees with 20 or more years of service.

A single actuarial valuation is performed annually covering all plan members and the same contribution rate applies to each employer. GGRF issues a publicly available financial report that includes financial statements and required supplementary information for the DB Plan. That report may be obtained by writing to the GGRF, 424 A Route 8, Maite, Guam 96910, or by visiting its website - www.ggrf.com.

Funding Policy:

As a result of actuarial valuations performed as of September 30, 2011, 2010, and 2009, contribution rates required to fully fund the Retirement Fund liability, as required by Guam law, for the years ended September 30, 2013, 2012 and 2011, respectively, have been determined as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Normal costs (% of DB Plan payroll)	17.52%	17.07%	17.00%
Employee contributions (DB Plan employees)	<u>9.50%</u>	<u>9.50%</u>	<u>9.50%</u>
Employer portion of normal costs (% of DB Plan payroll)	<u>8.02%</u>	<u>7.57%</u>	<u>7.50%</u>
Employer portion of normal costs (% of total payroll)	3.00%	3.03%	3.03%
Unfunded liability cost (% of total payroll)	<u>24.33%</u>	<u>23.75%</u>	<u>21.75%</u>
Government contribution as a % of total payroll	<u>27.33%</u>	<u>26.78%</u>	<u>24.78%</u>
Statutory contribution rates as a % of DB Plan payroll:			
Employer	<u>30.09%</u>	<u>28.30%</u>	<u>27.46%</u>
Employee	<u>9.50%</u>	<u>9.50%</u>	<u>9.50%</u>

The Authority's contribution to the DB Plan for the years ended September 30, 2013, 2012 and 2011 totaled \$1,656,285, \$1,482,141 and \$1,489,052, respectively, which are equal to the required contributions for those years.

Defined Contribution Retirement System (DCRS)

Contributions into the DCRS plan by members are based on an automatic deduction of 5% of the member's regular base pay. The contribution is periodically deposited into an individual investment account within the DCRS. Employees are afforded the opportunity to select from different investment accounts available under the DCRS.

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Notes to Financial Statements
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(4) Employees' Retirement Plan, Continued

Defined Contribution Retirement System (DCRS), Continued

Statutory employer contributions for the DCRS plan for the years ended September 30, 2013 and 2012, are determined using the same rates as the DB Plan. Of the amount contributed by the employer, only 5% of the member's regular pay is deposited into the member's individual investment account. The remaining amount is contributed towards the unfunded liability of the defined benefit plan.

Members of the DCRS plan, who have completed five years of government service, have a vested balance of 100% of both member and employer contributions plus any earnings thereon.

The Authority's contributions for the DCRS plan payroll for the years ended September 30, 2013, 2012 and 2011 were \$3,437,123, \$3,111,487 and \$2,821,611, respectively, which were equal to the required contributions for the respective years then ended. Of these amounts, \$3,088,129, \$2,773,979 and \$2,508,418 were contributed toward the unfunded liability of the DB Plan for the years ended September 30, 2013, 2012 and 2011, respectively.

Public Law 26-86 allows members of the DCRS to receive a lump sum payment of one-half of their accumulated sick leave upon retirement. The Authority has accrued an estimated liability of \$1,216,520, \$1,105,722 and \$1,028,941 at September 30, 2013, 2012 and 2011, respectively, for potential future sick leave payments as a result of this law. However, this amount is an estimate and the actual payout may be materially different than estimated.

Other Post-Employment Benefits

GovGuam, through its substantive commitment to provide other post-employment benefits (OPEB), maintains a cost-sharing multiple employer defined benefit plan to provide certain post-retirement healthcare benefits to retirees who are members of the GGRF. Under the Plan, known as the GovGuam Group Health Insurance Program, GovGuam provides medical, dental, and life insurance coverage. The retiree medical and dental plans are fully-insured products provided through insurance companies. GovGuam shares in the cost of these plans, with GovGuam's contribution amount set each year at renewal. Current statutes prohibit active and retired employees from contributing different amounts for the same coverage. As such, GovGuam contributes substantially more to the cost of retiree healthcare than to active healthcare. For the life insurance plan, GovGuam provides retirees with \$10,000 of life insurance coverage through an insurance company. Retirees do not share in the cost of this coverage. Because the Plan consists solely of GovGuam's firm commitment to provide OPEB through the payment of premiums to insurance companies on behalf of its eligible retirees, no stand-alone financial report is either available or generated.

For the years ended September 30, 2013, 2012 and 2011, the Authority reimbursed GovGuam for certain supplemental benefits for retirees, including contributions for the abovementioned Plan, as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Medical and dental	\$ 1,216,975	\$ 1,171,262	\$ 1,439,584
Supplemental benefits	889,614	861,201	727,658
Life insurance	<u>49,447</u>	<u>46,604</u>	<u>54,565</u>
	<u>\$ 2,156,036</u>	<u>\$ 2,079,067</u>	<u>\$ 2,221,807</u>

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September 30, 2013 and 2012

(5) Long-Term Liabilities

Summary

Long-term liabilities of the Authority consist of annual leave and sick leave payable to its employees and long-term bank debt. Changes in long-term liabilities for the years ended September 30, 2013 and 2012 are as follows:

	Outstanding at September 30,			Outstanding at September 30,		
	<u>2012</u>	<u>Increases</u>	<u>Decreases</u>	<u>2013</u>	<u>Current</u>	<u>Noncurrent</u>
Accrued annual leave	\$1,390,577	\$ 1,209,815	\$1,240,078	\$ 1,360,314	\$ 1,063,410	\$ 296,904
Accrued sick leave	1,105,722	110,798	-	1,216,520	-	1,216,520
Long-term bank debt	<u>3,201,009</u>	<u>12,000,000</u>	<u>542,025</u>	<u>14,658,984</u>	<u>708,048</u>	<u>13,950,936</u>
	<u>\$5,697,308</u>	<u>\$13,320,613</u>	<u>\$1,782,103</u>	<u>\$17,235,818</u>	<u>\$1,771,458</u>	<u>\$15,464,360</u>
	Outstanding at September 30,			Outstanding at September 30,		
	<u>2011</u>	<u>Increases</u>	<u>Decreases</u>	<u>2012</u>	<u>Current</u>	<u>Noncurrent</u>
Accrued annual leave	\$1,381,562	\$1,053,249	\$1,044,234	\$1,390,577	\$ 940,610	\$ 449,967
Accrued sick leave	1,028,941	76,781	-	1,105,722	-	1,105,722
Long-term bank debt	<u>3,355,095</u>	<u>-</u>	<u>154,086</u>	<u>3,201,009</u>	<u>165,692</u>	<u>3,035,317</u>
	<u>\$5,765,598</u>	<u>\$1,130,030</u>	<u>\$1,198,320</u>	<u>\$5,697,308</u>	<u>\$1,106,302</u>	<u>\$4,591,006</u>

Long-term Bank Debt

Long-term debt consists of the following at September 30, 2013 and 2012:

- \$3,500,000 loan obtained from ANZ Guam, Inc. (ANZ) on October 22, 2010, representing a portion of the \$4,500,000 United States Department of Agriculture (USDA) Guaranteed Term Loan. The remainder of the USDA guaranteed loan is unused as of September 30, 2013. The term loan bears interest at 3% above the Federal Home Loan Bank of Seattle's 15-year amortizing fixed advanced rate at the time of funding (6.18% at September 30, 2013 and 2012) and is payable in monthly installments of \$30,049 in principal and interest over fifteen years. Proceeds of the loan were used to reimburse the Authority for the acquisition of four top lifters and ten terminal yard contractors which are also pledged as collateral for the loan. Outstanding principal balance as of September 30, 2013 amounted to \$3,037,138 (2012: \$3,201,009).
- \$12,000,000 loan obtained from ANZ on December 20, 2012, guaranteed by USDA. The term loan bears interest at 3.42% above the Federal Home Loan Bank of Seattle's 15-year amortizing rate at the time of funding (5.94% at September 30, 2013) and is payable in monthly installments of \$101,427 in principal and interest over fifteen years. Proceeds of the loan were used to finance the acquisition of the used cranes identified as Port of Los Angeles Cranes and Gantry Cranes (collectively the "cranes") from Matson Navigation Company LLC and Horizon Lines LLC. Outstanding principal balance as of September 30, 2013 amounted to \$11,621,846.

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Notes to Financial Statements
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(5) Long-Term Liabilities, Continued

Long-term Bank Debt, Continued

In relation to the purchase, maintenance and use of the cranes, pursuant to a PUC order, the Authority established and implemented a crane surcharge. PUC also ordered that 9.5% of the revenues from the crane surcharge are deposited in a crane reserve account restricted for the purposes of future crane acquisitions, any payment due to default on any crane loan liability or any extraordinary corrective maintenance events. The balance in the reserve account at September 30, 2013 is \$445,691.

As of September 30, 2013, future maturities of long-term bank debt are as follows:

<u>Year ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2014	\$ 708,048	\$ 870,561	\$ 1,578,609
2015	751,380	826,327	1,577,707
2016	796,174	781,533	1,577,707
2017	848,188	729,519	1,577,707
2018	901,248	676,459	1,577,707
2019 through 2023	5,424,001	2,464,532	7,888,533
2024 through 2028	<u>5,229,945</u>	<u>664,437</u>	<u>5,894,382</u>
	<u>\$ 14,658,984</u>	<u>\$ 7,013,368</u>	<u>\$ 21,672,352</u>

(6) Major Customers

The Authority has three and two major shipping agency customers that collectively accounted for 78.63% and 67.41%, respectively, of total operating revenues for the years ended September 30, 2013 and 2012, respectively. The Authority has a high concentration of credit risk due to the limited number of entities comprising its customer base.

(7) Rental Operations

The Authority, in cooperation with the GEDA, leases space to tenants under noncancelable operating leases, with options to renew, providing for future minimum rentals. The minimum future rental on noncancelable operating leases for the five succeeding fiscal years and thereafter, are as follows:

<u>Year ending September 30,</u>	<u>Amount</u>
2014	\$ 1,182,416
2015	1,182,416
2016	1,182,416
2017	1,182,416
2018	1,182,416
Thereafter	<u>4,512,410</u>
	<u>\$ 10,424,490</u>

The Authority also leases equipment and space to tenants on a month-to-month basis. Total equipment and lease space revenue from tenants for all rentals totaled \$7,503,461 and \$6,893,541 respectively, for the years ended September 30, 2013 and 2012, respectively.

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(8) Commitments and Contingencies

Port Modernization Plan

The Port Modernization Plan (the Plan) spans a 30-year planning horizon with an estimated project cost of \$260 million and was conditionally approved in 2008 through Public Law 29-125. The Plan consists of Phases I-A and I-B with a focus on critical maintenance and repair of waterfront activities over the next five years and Phase II with a focus on expansion needed to address long-term cargo growth demands of Guam and neighboring islands over the next twenty years. In 2009, the Guam Legislature approved Phases I-A and I-B of the Plan through Public Law 30-57.

In June 2008, through a Memorandum of Understanding (MOU), the Authority partnered with the Maritime Administration (MARAD) for the "Port of Guam Improvement Enterprise Program" (the Program). MARAD was designated as the lead federal agency assisting the Authority in securing funding sources to modernize its facilities and operations. Under the Program, MARAD is to provide federal oversight and coordination of projects, act as a central procurement organization, leverage federal, non-federal and private funding sources, and streamline the environmental review and permitting process. The partnership with MARAD was formalized through U.S. Public Law 110-417, *National Defense Authorization Act for 2010*. U.S. Public Law 110-417 also established the "Port of Guam Improvement Enterprise Fund" (the Fund), a separate account in the Treasury of the United States that will be used to receive funding from federal and non-federal sources to carry out the Program.

The Authority commenced with the Phase I-A of the Plan in 2010 and is to be funded by the following:

Appropriation from the U.S. Department of Defense (USDOD)	\$ 50,000,000
Appropriations from the USDA:	
Direct loans	25,000,000
Community Facilities Guaranteed Loan with ANZ	25,000,000
Guaranteed term loan with ANZ	<u>4,500,000</u>
	<u>\$ 104,500,000</u>

The appropriation from the USDOD is sourced from the 2010 U.S. Supplemental Appropriations Act that was signed into law in August 2010. The appropriation was transferred to the Fund on September 22, 2010 and will be administered and disbursed by MARAD based on the terms of the MOU, however, with the approval and authorization of the Authority. The Authority intends to first utilize this appropriation before drawing down on the \$25,000,000 USDA appropriations.

The appropriations from USDA were awarded on October 22, 2010. On the same date, the Authority received \$3,500,000 of the guaranteed term loan with ANZ (see note 5). The remaining \$1,000,000 guaranteed term loan is unused as of September 30, 2013. The Authority anticipates that it will no longer utilize the unused portion of the loan.

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Notes to Financial Statements
September 30, 2013 and 2012

(8) Commitments and Contingencies, Continued

Port Modernization Plan, Continued

In 2011, due to changes in certain factors relating to the military buildup and cargo forecast, management no longer intends to utilize the \$25,000,000 Community Facilities Guaranteed Loan with ANZ and has formally withdrawn the loan application on April 17, 2012. Also, USDA communicated with the Authority that the \$25,000,000 direct loan is extended and to be used for expansion projects. The Authority has not utilized the \$25,000,000 direct loan.

In November 2013, the Plan was updated to provide a comprehensive view of the Authority's current condition, identify elements of continuous improvement and sustainability, and scaled down the components of the Phase I-A of the Plan, with maximum timeframe for full review and adoption on June 1, 2014.

At September 30, 2013, the Authority has \$11.7 million recorded in construction work-in-progress for the Port Modernization Plan. Realization of these assets is dependent on future events, including continuation of the Plan as currently envisioned. In 2013, \$2.6 million of the capitalized project costs were written-off to expense due to anticipated downscaling of the original Plan.

USDA Community Facility Loans

In 2010, USDA also awarded a \$2,000,000 direct loan and \$12,000,000 of guaranteed loans intended for the purchase of gantry cranes pursuant to Public Law 30-100 which mandates the Authority to acquire at least two gantry cranes no later than December 31, 2012. The Authority utilized the \$12,000,000 guaranteed loans for the purchase of the cranes (see note 5). The Authority requested USDA to re-direct the \$2,000,000 loan for purposes of acquiring critical cargo handling equipment.

Government of Guam General Fund

In March 2011, the Authority received a \$12,250,000 invoice from the Government of Guam's Department of Administration (DOA) representing an annual assessment of \$875,000 for each of the fiscal years 1998 to 2011 pursuant to 5 GCA Chapter 22 Section 22421, *Transfer of Autonomous Agency Revenues To Autonomous Agency Collections Fund*. In May 2011, the Authority responded to DOA requesting a further review of the assessment as the Authority believes that it does not owe DOA the entire \$12,250,000 based on previous funds transferred in 1994 and 1997 of \$500,000 and \$3,500,000 to the General fund and to the Government of Guam Autonomous Agency Infrastructure Collection Fund (AAICF), respectively. The Authority also asserts that it funds certain government services provided by the Guam Customs and Quarantine Agency, Guam Environment and Protection Agency, Guam Police Department and Guam Fire Department through ongoing operations at the Port; contributes to GEDA and Port's Base Realignment and Closure Commission; and, will fund the Tri-Star Pipeline and water line projects in the future. Further, the Authority understands that it is only required to transfer amounts to the AAICF when there is an operating surplus.

In September 2011, the Authority accrued \$700,000 representing its liability towards the AAICF funding based on its interpretation of the law. The amount is included in accounts payable, trade and others in the accompanying statements of net position as of September 30, 2013 and 2012.

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Notes to Financial Statements
September 30, 2013 and 2012

(8) Commitments and Contingencies, Continued

Lawsuit and Claims

The Authority is a defendant in various lawsuits and proceedings arising in the normal course of business. While the outcome of these lawsuits and proceedings cannot be predicted with certainty and could have a material adverse effect on the Authority's financial statements, it is the opinion of management, after consulting with its legal counsel, that the ultimate disposition of such suits and proceedings will not have a material adverse effect on the Authority's financial statements.

Merit System

In 1991, Public Law 21-59 was enacted to establish a bonus system for employees of the Government of Guam, autonomous and semi-autonomous agencies, public corporations and other public instrumentalities of the Government of Guam who earn a superior performances grade. The bonus is calculated at 3.5% of the employee's base salary beginning in 1991. In 2013, the Authority paid \$194,000 of merit bonuses to active employees and accrued \$184,000 of estimated merit bonuses to be paid to inactive and retired employees.

Gantry 3 Crane

Management has assessed that the usage versus the cost associated to maintain the Gantry 3 crane far exceeds its actual hours of operation and performance activity and therefore, management recommends decommission of the crane. However, management has not determined when the asset will be surveyed. No adjustment to the estimated useful life of the asset has been made to the Authority's financial statements. Gantry 3 has a net book value of \$4,200,000 at September 30, 2013.

(9) Crane Surcharge

Pursuant to a PUC rate order effective January 1, 2013, the Authority implemented a crane surcharge of \$105 for each loaded import and export container and first carriers fully loaded transshipment containers handled at the Port, increasing to \$125 per container after February 28, 2013. In addition, the rate order required the Authority to assess a \$5 per ton surcharge on break bulk cargo, capped at \$105 per item.

The rate order also required the Authority to deposit 9.5% of surcharge revenues into a crane replacement sinking fund, which is restricted for the future acquisition of cranes, loan payments in default on past due crane liability or extraordinary corrective maintenance events.

The Authority recorded \$4,118,000 of crane surcharge revenue fiscal year 2013. The balance in the crane replacement sinking fund at September 30, 2013 is \$445,691.

(10) Subsequent Events

In October 2013, Dock D at Agat Marina was damaged in a tropical storm. Estimated damages have not yet been determined.

OTHER FINANCIAL INFORMATION

**PORT AUTHORITY OF GUAM
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**Schedule of Funding Progress and Actuarial Accrued Liability - Post
Employment Benefits Other than Pension (Unaudited)**

The Schedule of Funding Progress presents GASB 45 results of Other Post Employment Benefits (OPEB) valuations as of fiscal year ends September 30, 2011, 2009, and 2007 for the Port Authority of Guam's share of the Government of Guam Post Employment Benefits other than Pensions. The schedule provides an information trend about whether the actuarial values of Plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a % of Covered Payroll</u>
October 1, 2007	\$ -	\$ 13,651,000	\$ 13,651,000	0.0%	\$ 10,981,000	124.3%
October 1, 2009	\$ -	\$ 32,847,000 *	\$ 32,847,000 *	0.0%	\$ 12,236,000	268.4%
October 1, 2011	\$ -	\$ 37,028,000	\$ 37,028,000	0.0%	\$ 13,878,000	266.8%

* No formal valuation was performed. The liabilities as of October 1, 2009 represent discounted October 1, 2011 liabilities.

The actuarial accrued liability presented above is for the Authority's active employees only. It does not include the actuarial accrued liability for the Authority's retirees, which was not separately presented in the OPEB valuation.

See Accompanying Independent Auditors' Report.

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Details of Operating Expenses
Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Management and administration:		
<i>Management:</i>		
Salaries and wages - regular	\$ 287,920	\$ 332,304
Benefits - Government contribution	96,748	104,484
Annual leave	24,290	21,854
Fringe benefits	11,476	9,893
Salaries and wages - other	2,660	-
Office supplies	1,686	1,763
Furnishings and equipment	-	149
Miscellaneous	18,847	14,701
	<u>443,627</u>	<u>485,148</u>
<i>Administration:</i>		
Salaries and wages - regular	5,117,935	5,196,957
Benefits - Government contribution	1,778,816	1,677,026
Annual leave	464,382	405,284
Fringe benefits	294,491	300,579
Salaries and wages - overtime	176,130	150,064
Repairs and maintenance	161,986	168,260
Salaries and wages - other	126,195	53,112
Furnishings and equipment	59,276	39,308
Office supplies	28,690	27,967
Operational supplies	20,703	17,457
Miscellaneous	159,573	240,403
	<u>8,388,177</u>	<u>8,276,417</u>
Total management and administration	<u>\$ 8,831,804</u>	<u>\$ 8,761,565</u>

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Details of Operating Expenses, Continued
Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Equipment Maintenance:		
Repairs and maintenance	\$ 3,411,010	\$ 1,505,005
Salaries and wages - regular	2,264,379	2,036,291
Benefits - Government contribution	826,866	698,614
Operational supplies	404,443	346,744
Salaries and wages - other	203,568	167,113
Annual leave	197,590	158,222
Fringe benefits	157,874	156,898
Salaries and wages - overtime	122,182	108,291
Contractual	53,686	82,348
Furnishings and equipment	7,629	4,644
Office supplies	1,893	2,230
	<u>7,651,120</u>	<u>5,266,400</u>
Total equipment maintenance	<u>\$ 7,651,120</u>	<u>\$ 5,266,400</u>
Transportation Services:		
Salaries and wages - regular	\$ 2,495,037	\$ 2,292,477
Benefits - Government contribution	928,461	786,850
Gas, oil and diesel	434,094	490,954
Salaries and wages - overtime	396,927	146,653
Annual leave	199,127	182,162
Fringe benefits	175,092	185,770
Salaries and wages - other	149,296	122,621
Operational supplies	1,207	1,047
Office supplies	560	632
Furnishings and equipment	232	1,591
	<u>4,780,033</u>	<u>4,210,757</u>
Total transportation services	<u>\$ 4,780,033</u>	<u>\$ 4,210,757</u>

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Details of Operating Expenses, Continued
Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Stevedoring Services:		
Salaries and wages - regular	\$ 2,013,636	\$ 1,896,230
Benefits - Government contribution	738,338	618,222
Salaries and wages - overtime	324,600	141,232
Fringe benefits	171,609	138,688
Annual leave	171,245	130,982
Salaries and wages - other	135,339	114,097
Operational supplies	2,514	13,736
Office supplies	598	1,040
	<u>3,557,879</u>	<u>3,054,227</u>
Total stevedoring services	\$ <u>3,557,879</u>	\$ <u>3,054,227</u>
 Facility Maintenance:		
Salaries and wages - regular	\$ 785,670	\$ 869,283
Benefits - Government contribution	307,631	300,704
Salaries and wages - overtime	157,735	67,015
Operational supplies	90,407	101,068
Annual leave	64,982	71,769
Fringe benefits	56,026	65,700
Salaries and wages - other	24,118	14,331
Repairs and maintenance	5,271	-
Furnishings and equipment	3,530	7,453
Office supplies	266	185
Miscellaneous	-	2,545
	<u>1,495,636</u>	<u>1,500,053</u>
Total facility maintenance	\$ <u>1,495,636</u>	\$ <u>1,500,053</u>

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Details of Operating Expenses, Continued
Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Terminal Services:		
Salaries and wages - regular	\$ 1,201,142	\$ 1,254,532
Benefits - Government contribution	416,548	407,728
Salaries and wages - overtime	147,933	50,891
Fringe benefits	91,493	98,207
Annual leave	91,250	83,730
Salaries and wages - other	39,632	35,750
Office supplies	8,562	8,611
Operational supplies	413	700
	<u>1,996,973</u>	<u>1,940,149</u>
Total terminal services	<u>\$ 1,996,973</u>	<u>\$ 1,940,149</u>
General Expenses:		
Legal counsel	\$ 923,563	\$ 299,222
Professional services	803,671	1,043,043
Managers' fee	502,778	411,862
Merit bonus	191,795	-
Maintenance	185,675	97,455
Waste removal	145,051	144,740
Loan fees	116,030	-
Agency fee	43,558	38,683
Audit	42,000	43,523
Workmen's compensation injury allowance	29,376	66,056
Inventory adjustment	23,403	7,780
Port incentive award	15,905	42,866
Board of Directors expense	5,538	6,751
Claims and damages	2,550	31,253
Miscellaneous	154,970	154,941
	<u>3,185,863</u>	<u>2,388,175</u>
Total general expenses	<u>\$ 3,185,863</u>	<u>\$ 2,388,175</u>

PORT AUTHORITY OF GUAM
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Summary of Salaries and Wages
Years Ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Salaries and wages - regular	\$ 14,165,719	\$ 13,878,074
Benefits - Government contribution	5,093,408	4,593,628
Fringe benefits	958,061	955,735
Salaries and wages - overtime	1,325,507	664,146
Salaries and wages - other	680,808	507,024
	<u>\$ 22,223,503</u>	<u>\$ 20,598,607</u>

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Employees by Department
Years Ended September 30, 2013 and 2012

Department:	<u>2013</u>	<u>2012</u>
Management and administration	111	125
Equipment maintenance	50	53
Transportation services	60	65
Stevedoring services	55	57
Facility maintenance	22	24
Terminal services	33	37
	<u>331</u>	<u>361</u>

**Port Authority of Guam
Board of Directors Regular Meeting
February 17, 2014**

Executive Summary

**Request For Proposal, RFP No. 013-004
Implementation and Integration Services for Terminal Operating System**

PURPOSE: Request the Board of Directors to approve the contract award to G4S Security Systems (Guam) Inc. pursuant to the above referenced RFP.

PROJECT INFORMATION

A Request For Proposal (RFP) was solicited to provide professional services for the Implementation and Integration Services for the Terminal Operating System (TOS). The selected qualified firm will assist in transitioning the Port's operating processes and procedures to a modern automated system that will have a direct interaction and work protocols with external stakeholders such as the shipping lines, truckers and Customs. Also, the selected firm is expected to furnish the support or incidental hardware and software necessary for the implementation and adoption of the proposed terminal operating system.

The functional and technical requirements of this solicitation were designed by our Owner's Agent, PB International. The project is designed to be a turnkey project. The project is proposed for a 5-year TOS service contract. The contract requirements included tasking of work in phases through a Task Order. The initial task order (no. 1) was designed for the selected offeror to conduct a detailed business analysis and submit the recommendations to PAG for approval for implementation. The expected business analysis should include the proposed terminal operating system or series of components to be included in the TOS to be furnished, the proposed financial approach and phases of implementation. The implementation phase and other phases of this project are subject to issuance of subsequent task orders, subject to Port's approval of the proposed approach.

BACKGROUND

The public announcement of this solicitation was advertised in the local newspaper in July 10, 2013. Although eight (8) firms expressed their interest in the solicitation, only two (2) firms submitted their proposals on the established submission deadline. The proposals from the two (2) firms were evaluated by the established Evaluation Committee and resulted in the selection of G4S Security Systems (Guam) Inc. (G4S), as the highest ranked and most qualified offeror. A copy of the Evaluation, analysis and recommendation of this solicitation is attached for your reference.

The cost negotiation discussions between PAG Cost Negotiations Committee and G4S began immediately after receiving the firm's fee proposal in October 14, 2013. A series of meetings

and counter offers were held between PAG and G4S. In the meeting of December 6, 2013, PAG and G4S has successfully agreed to the amount of \$106,637.00 for Task Order no. 1. The details of the negotiations are reflected in the attached copy of the Record of Fee Negotiations.

LEGAL REVIEW

Upon approval of award, a draft agreement will be forwarded to Legal Counsel for review and approve as to form. Execution of the agreement and issuance of the Notice of Award will follow thereafter.

FINANCIAL REVIEW

The funding for Task Order No. 1 of this contract is programmed under the Capital Improvement Project (Other Small Projects) for fiscal year 2014.

RECOMMENDATION

Management requests the Board's approval to the contract award to G4S Security Systems (Guam), Inc. for the Implementation and Integration Services for the TOS project with the initial Task Order amount of \$106,637.00. The firm has been deemed to have met all the requirements set forth in the RFP and is consistent with the Guam Procurement Regulations.

Additionally, Management requests the Board to approve additional funding of \$6,637.00 from the CIP – Other Small Projects account, to cover the shortage from the previously approved \$100,000.00.



PORT AUTHORITY OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
GOVERNMENT OF GUAM
Procurement and Supply Division

September 17, 2013

MEMORANDUM

To: General Manager

Via: Procurement and Supply Manager

From: Buyer II

Subject: Evaluation Analysis and Recommendation – Request For Proposal (RFP)
**RFP-PAG-013-004 IMPLEMENTATION & INTEGRATION
SERVICES FOR TOS**

The referenced Request for Proposal (RFP) was solicited to interested firms or professional individuals or companies (Offerors) to provide professional/technical services for the Implementation of Terminal Operating System (TOS). The advertisement for this RFP was published in the Marianas Variety newspaper on July 10, 2013. A Pre-Proposal Conference was held on July 15, 2013. The deadline to submit the proposals was August 29, 2013 at 2:00 p.m. Chamorro Standard Time (Guam Time).

Eight (8) firms/individuals acknowledged receipts of packets; however, the following two (2) firms/individuals submitted qualification documents before the submission deadline:

1. Tideworks Technology.
2. G4S Security Systems (Guam) Inc.

Evaluation and Selection

Pursuant to Volume V of the package, after receipt of all proposals, the PAG Evaluation Committee will independently evaluate each proposal for the purpose of selecting the most responsive and responsible offeror based on the established criteria. The committee, which Management established to evaluate the firm's qualifications, includes the following:

1. Dennis Perez
2. Anthony Yatar
3. John Santos
4. Glenn Nelson
5. Jennifer Leon Guerrero

The committee completed their evaluation and the scores were tabulated, as reflected on the attached summary worksheet. As a result of the tabulation, the firms selected are in the order of their ranking results:

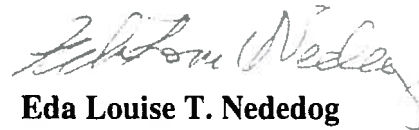
1. G4S Security Systems (Guam), Inc.
2. Tideworks Technology

Recommendation

Based on the tabulation of the proposers ranking, it is determined that **G4S Security Systems (Guam)**, scored 475 of 500, and the best qualified firm to perform the required services in accordance with the criteria set forth for the administration and implementation of the requested services. Additionally, our review of the submitted required documents, the firm was deemed to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Rules & Regulations.

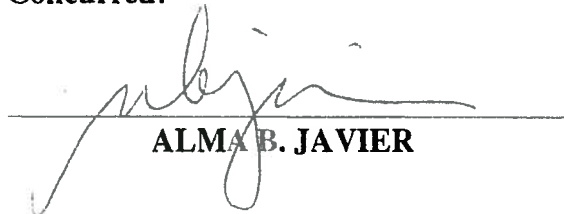
Therefore, it is recommended that the firm of **G4S Security System (Guam) Inc.**, be given the opportunity to negotiate the fees for contract. In the event that the aforementioned negotiations prove unsuccessful, the PAG may enter negotiations with the next highest scored proposer.

Should you have any questions or need to discuss this matter further, I am available at your request.



Eda Louise T. Nededog

Concurred:




ALMA B. JAVIER

Approved:



JOANNE M.S. BROWN

Attachments:
Evaluation Score Tally Sheet

Cc: Procurement File
Buyer Supervisor 



PORT AUTHORITY OF GUAM
ATURIDAT I PUETTON GUAHAN
Jose D. Leon Guerrero Commercial Port
GOVERNMENT OF GUAM
PROCUREMENT AND SUPPLY DIVISION

1/10/14
RECEIVED
General Manager's Office
Port Authority of Guam

January 8, 2014

MEMORANDUM

To: General Manager

Via: Procurement and Supply Manager

From: Buyer II

Subject: Records of Fees Negotiations – Request For Proposal (RFP)
RFP-PAG-013-004 IMPLEMENTATION & INTEGRATION SERVICES FOR TOS

As a result of the RFP evaluation process, the Port Authority of Guam (PAG) solicited cost proposal from **G4S Security Systems (Guam) Inc. (G4S)**, who was selected as the highest ranked proposer to provide for the Implementation & Integration Services for TOS. The established Cost Negotiation committee consisted of the following:

1. Dennis Perez, IT Division
2. Anthony Yatar, IT Division
3. Joann Conway, Finance Division
4. Glenn Nelson, Commercial Division
5. John Santos, Operations Division

To guide the committee through the negotiation process, the following participated in the discussions:

1. Maria Taitano, DGMA
2. Alma Javier, Procurement Division
3. Rob van Eijndhoven, PB Consultants
4. Jeff Peck, PB Consultants

In response to PAG's letter dated September 30, 2013 to G4S, PAG received a proposed fee for Task Order No.1 on October 14, 2013. The initial fee proposal from G4S indicated a lump sum fee of \$570,159.61 (see **Attachment No.1**).

The Committee reviewed and discussed the firm's proposal and provided a counter proposal. On November 6, 2013, PAG issued its counter proposal to G4S detailing the basic purpose of Task Order No.1 (see **Attachment No.2**).

On November 13, 2013, G4S submitted a counter fee proposal offering \$410,166.43, which is a reduction of 29% from the initial offer (see Attachment No.3). An internal meeting was held amongst the Committee to discuss ways to reduce the proposed initial cost offered by G4S. PB Consultants provided guidelines detailing the exact scope of work that is required from Task Order No.1. Following the internal meeting was a scheduled Negotiations meeting with the G4S Team. Representatives for G4S included Mr. John San Nicolas and Ms. Kathy Brown.

As a result of the previous meeting, the Committee has determined that it is necessary to minimize and limit the amount of effort to achieve the objectives for Task Order No. 1 and to stay within the current budgeted amount. On November 27, 2013, PAG provided G4S its 2nd Cost Counter Offer of \$103,361.00, reflecting a reduction of 75% from the alternate cost offered by G4S (see Attachment No.4).

On December 5, 2013, G4S submitted its 2nd counter offer dated December 2, 2013 in the amount of **\$106,637.00** (see Attachment No.5). The committee reconvened on December 6, 2013 to discuss G4S Counter submittal. After several discussions the Negotiation Committee unanimously agreed with countered amount of **\$106,637.00** an increase of **3.9%** more from PAG proposed counter offer.

The Cost Negotiations Committee has determined that the above fees are fair and reasonable; therefore recommends the approval and acceptance of the agreed fees Task Order No.1. Should you have any questions or need to discuss the above matter further, I am available at your request.



Eda Louise T. Nededog

Concurred:



ALMA B. JAVIER


Approved:



JOANNE M.S. BROWN

Attachments:

- (No.1) - G4S Fee Proposal
- (No.2) - PAG 1st Counter Offer
- (No.3) - G4S 1st Counter Offer
- (No.4) - PAG 2nd Counter Offer
- (No.5) - G4S 2nd Counter Offer

Cc: Procurement File
Buyer Supervisor 

**Port Authority of Guam
Board of Directors Regular Meeting
February 17, 2014**

Executive Summary

**Request for Proposal PAG-013-003
Management and Operations of the F-1 Fuel Pier Facility**

PURPOSE:

The purpose of this summary is to request the Board of Directors to approve the contract award to Tristar Terminals, Inc., pursuant to the above RFP.

BACKGROUND:

On March 27, 2013 the Port Authority of Guam issued a Request for Proposal for the Management and Operations of the F-1 Fuel Pier Facility for the Port. Five (5) firms expressed interest in the project by purchasing the RFP packet. Four (4) firms responded with the submittal of their proposals on April 23, 2013. An Evaluation Committee, selected by the General Manager reviewed all proposals which resulted in the selection of IP&E Holdings, LLC as the highest ranked and most qualified offeror.

On June 17, 2013, a protest was filed and a stay in the procurement process immediately took effect. On August 21, 2013, the PAG responded to the protest denying its merits which lifted the stay of procurement process.

The Cost Negotiation with IP&E proceeded on October 4, 2013. After several negotiation meetings and counter offers, the Port terminated negotiations with IP&E on December 18, 2013. The committee concluded that further discussion with IP&E may result in limiting the scope of work and further delay in the project. In compliance with §3114(1)(4) of the Procurement Rules and Regulations, PAG began negotiations with the next most qualified offeror.

In response to the Notice of Intent to Award that was sent to Tristar Terminals, Inc., the Port received a fee proposal on December 27, 2013. A series of discussion and counter offers were presented in the process. On January 23, 2014 the Port and Tristar came to a mutual agreement to the terms that were successfully negotiated. A copy of the Record of Negotiations is attached for your reference.

LEGAL REVIEW:

The Procurement documents will be forwarded to the legal counsel for review. Upon completion of this review, a contract will be presented to both parties for the appropriate signatures and a Notice to Proceed will be issued to Tristar Terminals Inc.

FINANCIAL REVIEW:

Funding for this service is through the approved Fiscal Year 2014 Operations and Maintenance Budget.

RECOMMENDATION:

Management requests the Board of Directors' motion to approve the contract award for the Management and Operations of the F-1 Fuel Pier Facility based on the terms mutually agreed upon. The Committee, upon successfully completing the cost negotiations, has determined the fees to be fair and reasonable and Tristar Terminals Inc. has been deemed to have met all the requirements set forth in the RFP and is consistent with the Guam Procurement Regulations.



PORT OF GUAM

ATURIDATI PUETTON GUAHAN

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Website: www.portguam.com



Eddie Baza Calvo
Governor of Guam

Ray Tenorio
Lieutenant Governor

2/7/14
RECEIVED

General Manager's Office
Port Authority of Guam

February 5, 2014

MEMORANDUM

TO: Joanne M. S. Brown, General Manager

FROM: Alma B. Javier, Procurement & Supply Manger

SUBJECT: **Record of Fee Negotiations – Ref: RFP No. PAG- 013-003
Management and Operations Services for F-1 Fuel Pier Facility**

As a result of the RFP evaluation and ranking process, the Port initiated discussions with IP&E Holdings, LLC, as the highest ranked proposer. The established Cost Negotiation Committee began its negotiation meeting on August 21, 2103 to discuss the proposed fee submitted by IP&E Holdings, LLC. The Port discontinued further discussion with IP&E on December 18, 2013 after concluding that further discussion with IP&E may result in limiting the scope of work and further delay in the project (attachment A). In compliance with the provisions stipulated in the RFP, PAG began negotiations with the next highest ranked offeror.

The Port issued a Notice of Intent to Award to Tristar Terminals thereafter. The negotiation with the Tristar Terminals, as the next highest ranked offeror began on December 27, 2013 upon receipt of Tristar's initial fee proposal (attachment B). Tristar Terminals initially proposed a fee of \$0.228 per barrel of fuel moved across the F-1 Fuel Pier. The Port engaged in a counter to the initial proposal in a meeting held on January 7, 2014 in the PAG board room.

The initial discussions held on January 7, 2014 resulted in Tristar resubmitting a revised fee proposal. The revision was received by the Port on January 8, 2014. Tristar's revision proposed a \$0.184 per barrel imported (attachment C).

The Port responded to Tristar's revised proposal of January 8, 2014 with a counter of \$0.1001 per barrel imported (attachment D). This resulted in Tristar Terminals providing a revision of their proposal with a \$0.125 per barrel for imported for the primary business line (attachment E). Subsequent to Tristar's revision, the Port maintained the recent position of \$0.1001 per barrel of imported fuel.

In a meeting held on January 23, 2014, the Port presented their counter offer of \$0.1001 per barrel for the first four million (4,000,000) barrel of fuel imported and \$0.125 per barrel of fuel imported for every barrel thereafter together with other conditions relative to the management and operations of the F-1 Fuel Pier Facility. Tristar Terminals returned the proposal with a \$0.125 per barrel for the first four million (4,000,000) barrels and \$0.1001 per barrel for all imported fuel thereafter. Tristar Terminals representatives also agreed to the related conditions set forth by the Port. Additionally, Tristar requested the Port to amend the item which relates to the adjustment of the manager's throughput fees at levels consistent with corresponding adjustments to the Tariff rate structure as it pertains to fuel (attachment F).

The Port responded to Tristar's proposal with an agreement to the rate and amended the throughput amount to reflect \$0.125 per barrel for the first three million (3,000,000) barrels of imported fuel and \$0.1001 for every activity thereafter. The Port also agreed to modifications relating to the adjustments of throughput rates to correspond with the adjustment of Tariff rates pertaining to fuel (ref: attachment F).

Tristar Terminals and the Port concluded the discussion with a mutual agreement with the terms. Additionally, for the purposes of tracking the volume throughput, the Port will begin tracking the volume of barrels based on a Fiscal Year cycle which begins on October 1 and ends of September 30 of the following year. Tracking of the volume throughput for the current fiscal year will be based on the effective date of contract through September 30, 2014 (ref: attachment F).

An official letter was transmitted to Tristar Terminals summarizing the record of the discussion of the January 23, 2014 meeting. The letter requested Tristar Terminals officials to acknowledge their concurrence and acceptance of the terms mutually agreed upon during this meeting. The letter was subsequently resubmitted to the Port with the acknowledgement of their concurrence and acceptance to the terms discussed (ref: Attachment F).

The result of the negotiation between the Port Authority of Guam and Tristar Terminals was satisfactory therefore, the Negotiation Committee determines that the terms mutually agreed upon are fair and reasonable; and recommends the acceptance and approval thereof. Please note that throughout the final phase of the negotiation meeting, the Legal counsel was in attendance.

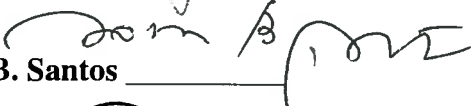
Should you have any questions or need to discuss the above matter further, I will be available at your request.


Alma B. Javier

Concurred by Negotiations Committee:


Maria Taitano 

Joann Conway 


John B. Santos


Glenn Nelson

Concur:


JOANNE M. S. BROWN
General Manager

Attachments:

cc: Procurement File
Commercial File

**Port Authority of Guam
Board of Directors Regular Meeting
February 17, 2014**

Executive Summary

**Professional Services for the Maintenance of Port's
Compensation and Classification Plan**

PURPOSE:

Request for Board of Director's to approve the contract award to Alan Searle & Associates, pursuant to the above RFP.

BACKGROUND:

On January 3, 2014, the Port Authority of Guam issued a Request for Proposal for the Professional Services for the Maintenance of Port's Compensation and Classification Plan. Four (4) firms expressed interest in the project and requested for the RFP packet. One (1) firm responded with a submittal of their proposal on January 30, 2014. An Evaluation committee selected by the General Manager reviewed the submittal and has determined that Alan Searle & Associates is qualified to perform the required services in accordance with the criteria set forth for the maintenance of the requested services. A copy of the Evaluation Analysis and Recommendation for this procurement is included for your reference.

LEGAL REVIEW

Upon completion of negotiation process, the draft contract will be sent to the legal counsel for review and approval as to form.

FINANCIAL REVIEW

Funding source is through the approved Fiscal Year 2014 Operations and Maintenance Budget.

RECOMMENDATION

Management recommends to the Board of Directors to approve the contract award for the Professional Services for the Management of the Port's Compensation and Classification Plan TO Alan Searle & Associates, subject to the negotiation of fees within the approved budget.



PORT AUTHORITY OF GUAM
ATURIDAT I PUEYTON GUAHAN
Jose D. Leon Guerrero Commercial Port
GOVERNMENT OF GUAM
PROCUREMENT AND SUPPLY DIVISION

February 13, 2013

MEMORANDUM

To: General Manager

Via: Procurement and Supply Manager

From: Buyer II

Subject: Evaluation Analysis and Recommendation – Request For Proposal (RFP)
RFP-PAG-014-001 Professional Services for the Maintenance of Port's Compensation & Classification Plan

The referenced Request for Proposal (RFP) was announced on January 3, 2014, in the Marianas Variety to solicit interest to firms, professional individuals, or companies (Offerors) to provide professional/technical services for the Maintenance of Port's Compensation & Classification Plan. The initial deadline to submit proposal(s) was January 21, 2014 at 2:00 p.m. Chamorro Standard Time (Guam Time). An amendment for an extension of the deadline was issued, and a new deadline for submittal was set for January 30, 2014 at 2:00 p.m.

Four (4) firms/individuals acknowledged receipts of packets; however, only one (1) firm/individual submitted qualification documents before the submission deadline. The submittal was from Alan Searle & Associates.

Evaluation and Selection

Pursuant to Section XII. Selection of Best Qualified Proposer and Proposal of the RFP package, and after receipt of all proposal, the PAG Evaluation Committee will independently evaluate each proposal for the purpose of selecting the most responsive and responsible offeror based on the established criteria. The committee, which Management established to evaluate the firm's qualifications, includes the following:

1. Maria Taitano
2. Carmelita Nededog
3. Shawn Cepeda
4. Joann Conway
5. John Santos

The committee completed their evaluation and the scores were tabulated, as reflected on the attached Evaluation Score Tally Sheet.

Recommendation

Based on the evaluation of the proposal, it is determined that **Alan Searle & Associates**, scored 420 of 500, and is qualified to perform the required services in accordance with the criteria set forth for the maintenance of the requested services. Additionally, our review of the submitted required documents, the firm was deemed to have met the standards of responsibility and responsiveness outlined in the Guam Procurement Rules & Regulations.

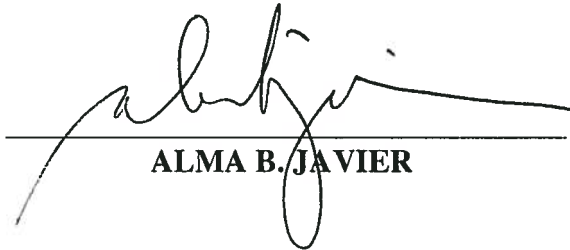
Therefore, it is recommended that the firm of **Alan Searle & Associates**, be given the opportunity to negotiate the fees for the referenced RFP. In the event that the aforementioned negotiations prove unsuccessful, the PAG will re-solicit this process.

Should you have any questions or need to discuss this matter further, I am available at your request.



Eda Louise T. Nededog

Concurred:



ALMA B. JAVIER

Approved:



JOANNE M.S. BROWN

Attachments:

Evaluation Score Tally Sheet

Cc: Procurement File





JOSE D. LEON GUERRERO

Port Authority of Guam

RFP NO. PAG-014-001

**PROFESSIONAL SERVICES FOR THE MAINTENANCE OF PORT'S
COMPENSATION & CLASSIFICATION PLAN**

Evaluation Score Tally Sheet

NAME OF FIRM/PROPOSER	Evaluator 1	Evaluator 2	Evaluator 3	Evaluator 4	Evaluator 5	TOTALS
	Score	Score	Score	Score	Score	Score
Alan Searle & Associates	85	100	85	80	70	420

**Port Authority of Guam
Board of Directors Regular Meeting
February 17, 2014**

Executive Summary

**Container Yard Striping Project, Phase 1
Invitation For Bid, No. CIP 014-001**

PURPOSE: Request for Board's authorization to approve contract award to Highway Safety Services, LLC for the Container Yard Striping Project, Phase 1, pursuant to the above referenced Invitation For Bid (IFB).

BACKGROUND:

The above referenced project is 1 of 2 phases of the Container Yard Striping Project. The scope of work identified application of new thermoplastic pavement striping in the container yard's gantry crane railway and crosswalks. The project is formatted as a design/build project. The construction work is programmed to be completed in seven (7) months upon receipt of Notice to Proceed, and inclusive of the contractor's completion of 100% design work.

On December 19, 2013, the above referenced IFB was advertised through the local newspaper for solicitation. Although ten (10) prospective bidders expressed their interest by obtaining the bid packages, only two (2) bidders submitted bid offers on the established submission deadline. A copy of the Evaluation, Analysis and Recommendation, as well as the abstract is attached for your reference.

The results of the bid submittals are as follows:

Bidder	Bid Amount	Variance (\$/%)	
		From Gov't. Est. \$125,000	
Allied Builders & Const.	\$101,300.00	- \$ 27,700.00	-19%
Highway Safety Services, LLC	\$ 73,000.00	- \$ 52,000.00	-42%

LEGAL REVIEW: Upon approval of award, a draft construction agreement will be forwarded to Legal Counsel for review and approve as to form. Execution of the agreement and issuance of the Notice of Award will follow thereafter.

FINANCE REVIEW

The lowest bid amount of **\$73,000** represents **\$52,000** or **42%** less than the government estimate of \$125,000.00. Funding for this project is from the Facility Maintenance Fund for FY 2014.

RECOMMENDATION

Management requests the Board of Directors motion to approve the award to Highway Safety Services, LLC. in the amount of \$73,000. The firm has been deemed to have met all the requirements set forth in the IFB and is consistent with the Guam Procurement Regulations.



PORT OF GUAM
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 Website: www.portguam.com



Eddie Baza Calvo
 Governor of Guam
 Ray Tenorio
 Lieutenant Governor

February 11, 2014

INTER-OFFICE MEMORANDUM

TO: Joanne M. S. Brown
 General Manager

From: Eda Nededog
 Buyer II

Via Alma B. Javier
 Procurement and Supply Division Manager

Subject Evaluation, Analysis and Recommendation
 Invitation for Bid No. PAG-CIP-014-001, Container Yard Striping Project Phase I

Background

The above referenced Invitation For Bid was publicly announced on December 19, 2013 in the Marianas Variety. A pre-bid conference was held on Friday, December 27, 2013 at 10:30 a.m. and a site inspection followed immediately thereafter. The bid opening was held on Thursday, January 30, 2014 at 10:00 a.m. in the Board room.

Ten (10) prospective bidders expressed their interest by purchasing and acknowledging receipt of the bid package. Two (2) bidders submitted their bid proposals prior to the established deadline. The bids were opened in the presence of the bidders and read aloud by the Procurement representatives. The results of the bid submittals are as follows:

Bidder	Bid Amount	Variance from	
		Gov't. Estimate: \$125,000.00	
Highway Safety Services, LLC	\$73,000.00	-42%	-\$52,000
Allied Builders & Construction	\$101,300.00	-19%	-\$23,700

Evaluation and Analysis

Pursuant to 5GCA §5211 (g) and as indicated in Section 12 of the Instruction to Bidders of the bid package, the contract is to be awarded to the lowest responsible, responsive bidder whose bid meets the requirements and criteria set forth in this Invitation for Bid. To determine the responsibility of bidders and is consistent with §3116 (2) of the Procurement Rules and Regulations, the bid package specified the required documents that bidders must submit with their bid price proposal. A brief summary is as follows:

1. **Allied Builders & Construction:** The firm has submitted a total bid price of **\$101,300.00 which represents \$23,700 or 19% less** than the government estimate. The following is the discrepancy found in their bid submittal:
 - Failed to submit as an attachment, the most recent wage determination as required in the AG Form 006, Declaration Re Compliance with US DOL Wage Determination.

2. **Highway Safety Services, LLC. :** The firm has submitted a total bid price of **\$73,000.00 which represents \$52,000 or 42% less** than the government estimate. The following are discrepancies found in their bid submittal:
 - Failed to submit as an attachment the most recent wage determination as required in the AG Form 006
 - Submitted Bid Form was missing the 2nd page and the signature
 - Copy of the submitted Contractor's License indicated Expired June 2013
 - Amendments No. 3 & 4 weren't included with bid form; although, PAG records indicated receiving the acknowledgment forms of such amendments.

According to the Procurement Rules and Regulations (PRR), 2GAR, Div 4, §3109(m)(4). Mistakes Discovered After Opening but Before Award, which states:

“(B) Minor Informalities. Minor informalities are matters of form, rather than substance evident from the bid document, or insignificant mistakes that can be waived or corrected without prejudice to other bidders; that is the effect on price, quantity, quality, delivery or contractual conditions is negligible.”

Also, the PRR dictates that such minor informalities shall be waived or allow the bidder to correct them depending on which is in the best interest of the territory. After carefully reviewing all the submitted documents and the required items identified above, such discrepancies appeared to be insignificant mistakes which do not have any effect on price, quantity or quality and therefore, can be waived or corrected.

By allowing the lowest bidder to correct such discrepancies, the action will serve to be in the best interest of the Port. The difference in price between the two (2) bidders represents \$28,300.00. This amount will best serve as a cost savings to the Port and may be used to fund the next phase for this project.

Recommendation

As it is allowable by statute and in accordance with the Guam Procurement Regulations, it is recommended that the discrepancies cited above be waived and deemed minor informalities; thus, allow the bidder to make the necessary corrections. Concurrently, it is recommended that the contract be awarded to **Highway Safety Services, LLC in the amount of \$73,000.00** for the above referenced project.

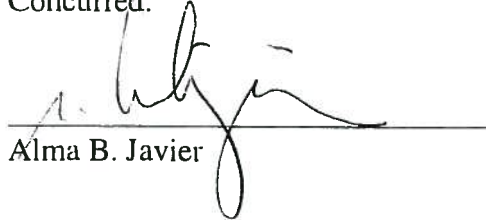
Upon obtaining your approval to this recommendations, this report shall serve as the required written determination that the relief is granted pursuant to §3109(m)(6) of the Procurement Regulations.

Should you need to discuss this further, I will be available at your request.



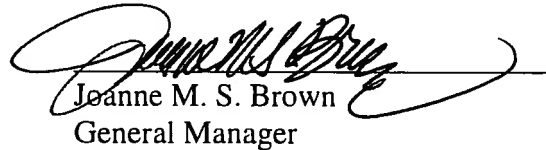
Eda Louise T. Nededog

Concurred:



Alma B. Javier

Approved:



Joanne M. S. Brown
General Manager

Attachment:

Abstract

cc: DGMA
Engineering/CIP
Procurement File



PORT OF GUAM
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Website: www.portguam.com



Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

February 11, 2014

MEMORANDUM

TO: Board of Directors
FROM: General Manager
SUBJECT: Capital Improvement – F2 / F3 West Gate

The chain-link fence in the vicinity of piers F2 and F3, West Gate is excessively corroded and is in need of replacement. The repairs will aid in any security breach into port secured areas of operation. The estimated cost for this repair is approximately \$5,000.00.

Based on this, Board approval is being requested to authorize management to use the Facility Maintenance Fee to cover this repair cost.

I am available should you have any questions.


JOANNE M.S. BROWN



PORT OF GUAM
ATURIDAT I PUETTON GUAHAN
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Website: www.portguam.com



Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

February 11, 2014

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: Request for Funding Transfer: Stormwater Pollution Prevention Plan

The Port Authority's Stormwater Pollution Prevention Plan (SWPPP) has been prepared following the U.S. Environmental Protection Agency (USEPA) guidelines. The industrial site for preventive maintenance addresses areas specific to Equipment Maintenance and Repair, equipment washing and fueling area, drum storage and outside material storage areas. Routine facility inspections are to be conducted quarterly.

In facilitating the stormwater control measure, Board approval is being requested to allow for funding transfer in the amount of \$5,000.00 to outsource the services to be in compliance with the reporting requirements. This amount will be transferred from Commercial Division to the Capital Improvement Project budget item.

I am available should you have any questions.


IOANNE M.S. BROWN



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Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

February 12, 2014

MEMORANDUM

TO: Board of Directors

FROM: Harbor Master

SUBJECT: Ratification: Emergency Operations Center-Incident
Management Team Interface Course

As you may be aware, the Port Command Center will be completed in a few months. It is important that key port personnel directly responsible in preparing and responding to a major incident that may impact the Port are educated on local and federal coordination as it relates to the Incident Command System (ICS). Knowledge of interfacing with federal emergency management and the response requirement is a key aspect of the ICS system for purposes of readiness and preparedness.

Request is being made to ratify port personnel participants that attended the February 3-6, 2014 Emergency Operations Center-Incident Management Team Interface Course held in Emmitsburg, Maryland. This is 100% federally funded.

I am available should you have any questions.


FELIX R. PANGELINAN



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Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

February 13, 2014

MEMORANDUM

TO: Board of Directors
FROM: General Manager
SUBJECT: Travel Authorization: Smith Wesson Academy: M&P Pistol & Rifle Armorer Course

The Port Authority will be receiving twenty-five new military and police (M&P) pistol and rifle armors in the next two months. While the general cleaning can be performed by the officers, there are field stripping to the frame of the weapon that is required on a monthly basis and can only be done by a Certified Armorer.

Smith Wesson Academy offers certification for this type of weaponry field stripping and is considered one of America's finest training facilities for law enforcement personnel who will receive state-of-the art instruction, superior training and be provided the necessary tool kit to perform this duty. The course entails field stripping and maintenance, safeties and safety checks, detailed disassembly, troubleshooting and minor repairs.

Port Police Officers identified to attend this training are David Esplana and Joy Quichocho-Cruz. These two individuals have also completed the Fire Arms Instructor course from Smith Wesson Academy.

In light of this, Board approval is being requested to authorize the named Port Police personnel to attend the course that will enable their certification as Certified Armorers. Please be guided by the following details:

Purpose: Smith Wesson Academy: M&P Pistol & Rifle Armorer
Travel Date: March 18-20, 2014
Destination: Springfield, Massachusetts

Travel Accommodations:	\$4,222.30
Per Diem:	\$1,428.00
Registration:	\$1,744.00
Transportation:	\$ 443.18
Travel Expense:	\$7,837.48

I am available should you have any questions.


JOANNE M.S. BROWN



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Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

February 12, 2014

MEMORANDUM

TO: Board of Directors
FROM: General Manager
SUBJECT: Travel Authorization: Emergency Management Institute

The Emergency Management Institute (EMI) is part of the Department of Homeland Security's Federal Emergency Management Agency (FEMA). The EMI provides leadership in developing and delivering training to ensure that individuals and groups having key emergency management responsibilities possess the requisite skills to effectively perform their jobs.

The Port currently has three key personnel, namely Frank Lujan, Paul Cruz, Joseph Leon Guerrero, as training officers that directly support the implementation of the National Incident Management System (NIMS), the National Response Framework (NRF), and the National Preparedness Goal (NPG) and provides the necessary training to port employees as well as other government agencies.

These Port training officers that perform instructional delivery and manage training programs are working towards completing a series of courses to be certified as Master Trainers under the EMI Master Trainer Program. The Master Trainer Program is designed to provide training professionals a means to acquire knowledge and skills in various areas of the training profession and at various levels of expertise. The program is comprised of seven separate certificate programs, at basic through advanced and executive levels, in the areas of Instruction, Instructional Design, and Training Management. These skill-sets will allow the Port training officials with the ability to ensure that all individuals involved in emergency response and support activities have the skills needed to perform under stressful conditions and respond timely and proficiently when disaster strikes.

In light of this, request is being made to authorize Port training officers the opportunity to become Master Trainers under the EMI Master Trainer Program and attend a series of courses that would enable certification completion. The training schedule is set for March 24, 2014 and August 18 & 25, 2014, Emergency Management Institute, Emmitsburg, Maryland. This is 100% federally funded.

I am available should you have any questions.


JOANNE M.S. BROWN



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Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

February 13, 2014

MEMORANDUM

TO: Board of Directors
FROM: General Manager
SUBJECT: Travel Authorization: AAPA Port Finance Seminar

By way of background, the American Association of Port Authorities (AAPA) offers a Professional Port Manager (PPM) Certification Program which is a four-year certification program to enhance port management professionalism, assist public port authorities, develop future port leaders by exposing them to a wide range of port management issues, building relationships across the port network and to create a body of research that will support the professional and technical objectives of the public seaport industry. Base requirements include attendance at a set of seven core seminars and three elective programs, and participation as a member of an AAPA standing committee.

The Commercial Manager is currently on this program and has successfully achieved all but the Port Finance Seminar of the core seminars, has completed the elective programs and is a standing committee member of the Law Review Committee.

Additionally, this seminar will also serve beneficial for the Deputy General Manager of Administration/Finance to network and participate in discussions relating to Government Accounting Standards Board, Financial Accounting Standards Board, Human Resource issues, Public/Private Partnerships and so forth.

In light of this, request is hereby being made to authorize travel accommodations for the Deputy General Manager of Administration/Finance and Commercial Manager to attend the Port Finance Seminar. Please be guided by the following details:

Purpose: **AAPA Port Finance Seminar**
Travel Date: April 8-10, 2014
Destination: New Orleans, LA
Participants: Deputy General Manager (Admin/Finance) & Commercial Manager

Travel Accommodations:	\$4,009.58
Per Diem:	\$1,818.00
Registration:	<u>\$1,850.00</u>
Travel Expense:	\$7,677.58

I am available should you have any questions.


JOANNE M.S. BROWN



Alliance of the Ports of Canada, the Caribbean, Latin America and the United States

AAPA Finance Seminar

April 8-10, 2014

New Orleans Marriott ♦ New Orleans, LA

(Business casual attire)

Tuesday, April 8

7:30 – 8:30 a.m. **Registration and Continental Breakfast**

8:30 – 8:45 a.m. **Welcome and Opening Remarks**

Kurt J. Nagle
President
American Association of
Port Authorities
Alexandria, VA

Jeff L. Strader, CPA
Chief Financial Officer
Port Freeport
Chairman, AAPA Port Finance Committee

Gary LaGrange PPM
President & CEO
Port of New Orleans

8:45 – 10:15 a.m. **Session 1: Economic Update**

Moderator:
Richert L. Self
Director of Administration & Finance
Lake Charles Harbor and Terminal
District

Speaker:
Robert West
Principal Strategist - Ports, Coastal &
Maritime, Latin America & the Caribbean
WorleyParsons Group Inc.

10:15 – 10:30 a.m. **Break**

10:30 a.m. – Noon **Session 2: Capital Market Update**

Moderator:
Mr. Strader

Speakers:
Angela M. Kukoda
S. Vice President
First Southwest Company
Dallas, Texas

Ira Smelkinson
Executive Director
Morgan Stanley
New York, NY

Robert M Searson
Senior Vice President
BB&T Capital Markets – Corporate
Banking
Winston Salem, NC

Noon – 1:30 p.m. **Lunch**

Tuesday, April 8 *(continued)*

1:30 – 2:45 p.m.

Session 3: Latin American Update: Innovation

Moderator:

*Sra. María Natalia Urriza, PPM
Supervisora Administrativa
Consorcio de Gestión del Puerto de
Bahía Blanca
ARGENTINA*

Speakers:

*Luisa Aarón
Chief Financial Officer
Sociedad Portuaria de Santa Marta S.A.
COLOMBIA*

*Walter H. Kemmsies, Ph.D.
Chief Economist
Moffatt & Nichol
New York, NY*

2:45 – 3:00 p.m.

Break

3:00 – 4:15 p.m.

Session 4: GASB/FASB

Moderator:

*Janet Chilcott
Director of Finance
North Carolina State Ports Authority*

Speakers:

TBA

Evening

Welcome Reception

Sponsored by:
Port of New Orleans



Wednesday, April 9

8:00 – 8:30 a.m.

Continental Breakfast

8:30 – 9:45 a.m.

Session 5: Insurance Archeology

Moderator:

*Andrew Palomares
Chief Finance & Administration Officer
Port of Hueneme/Oxnard Harbor District*

Speaker:

*Sheila Mulrennan
President
Insurance Archaeology Group
New York, NY*

Wednesday, April 9 *(continued)*

9:45 – 10:00 a.m. **Break**

10:00 – 11:30 a.m. **Session 6: Cyber Security/Liability**

Moderator:
Mike Macaluso
Chief Financial Officer
Port Tampa Bay

Speakers:
Cindi J. Heffernan, CPCU
McGriff, Seibels & Williams/BB&T
Seattle, WA

Corey G. Harris
Special Agent
FBI
New Orleans, LA

11:30 a.m. –
1:00 p.m. **Lunch**

1:00 – 2:30 p.m. **Session 7: Public/Private Partnerships**

Moderator:
Parul Shukla
Director of Finance & Administration
Port of Wilmington, Delaware - Diamond
State Port Corporation

Speaker:
Jeffrey D. Holt
Managing Director
BMO Capital Markets
Huntsville, UT

David Miller
Managing Director
The PFM Group
Orlando, FL

2:30 – 2:45 p.m. **Break**

2:45 – 4:00 p.m. **Session 8: Affordable Healthcare**

Moderator:
Brent R. Leslie
Chief Financial Officer
Cleveland-Cuyahoga County Port
Authority

Speaker:
Raymond J. King
Senior Account Executive
Colonial Life
Atlanta, GA.

Thursday, April 10

8:00 – 8:30 a.m. **Continental Breakfast**

8:30 – 10:00 a.m. **Session 9: Human Resource Issues**

Succession Planning
Ron Magnus
Managing Director
FMI Corporation
Denver, CO

10:00 – 10:15 a.m. **Break**

10:15 – 11:30 a.m. **Session 10: New Markets Tax Credits**

Moderator:
Andrew Palomares
Chief Finance & Administration Officer
Port of Hueneme/Oxnard Harbor District



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Eddie Baza Calvo
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Ray Tenorio
Lieutenant Governor

February 13, 2014

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: Travel Authorization: Miami Cruise Shipping Conference

The Cruise Shipping Miami will be holding its Cruise Industry Global Event as well as celebrate its 30th anniversary edition of networking, education, sourcing and innovation. The theme of this year's conference program will concentrate on ships and ship operations, global geography of cruise tourism, market segments and cruise product development.

The Port Authority has participated in the Cruise Shipping conferences for the past several years and as a multi-purpose port providing service for containerized breakbulk and cruise lines, participation in this conference is a great opportunity to raise awareness of cruise operators to call Port of Guam.

Based on this, Board approval is being requested to allow Director Gibson to attend the Miami Cruise Shipping Conference scheduled for March 10-13, 2014, Miami Beach, Florida.

I am available should you have any questions.


JOANNE M.S. BROWN




Cruise Shipping Miami 2014 Conference Program

Cruise Shipping Miami proudly introduces a newly revamped conference program, based on previous attendee feedback. Developed by Seatrade Communications, our new conference session lineup features four thematic streams, each offering valuable, forward thinking content critical for the cruise industry. Streams include: **Ships and Ship Operations**, **The Global Geography of Cruise Tourism**, **Market Segments** and **Cruise Product Development**. Please see agenda below. Details and speaker information to come shortly. Please keep checking back for updates.


Monday, March 10, 2014	
<i>Room C224</i>	
World Cruise Tourism Summit Workshops	
Round-table sessions with industry experts leading a highly focused discussion on current topics with strong opportunity for audience participation.	
9:30am - 11:30am	How Can Destinations and Ports Maximise the Benefit of Cruise Tourism?
1:00am - 3:00pm	Cruise Geography/Itinerary Development

Tuesday, March 11, 2014		
9:30am - 11:30am	The State of the Global Cruise Industry Sponsored by Hong Kong Tourism Board	
3:00pm - 4:30pm (concurrent)	<i>Room D235</i>	<i>Room D237</i>
	<p>Ships and Ship Operations</p> <p>Safety and Security This session will detail the global cruise industry's ongoing efforts to improve shipboard safety and security, including the sharing of best practices. The panelists will review and discuss how cruise lines, maritime authorities, service providers and suppliers are working on continuously enhancing safety standards and other measures to protect guests and crewmembers.</p> <p>Moderator: Bud Darr SVP, Technical and Regulatory Affairs, CLIA</p>	<p>The Global Geography of Cruise Tourism</p> <p>The State of the Industry: The Americas An informed view of the North American, Latin American and Caribbean markets in 2014 and beyond. Under discussion will be how the Caribbean is performing in the face of a large capacity increase with new year-round ships and the impact of new port developments in the Caribbean. High costs and other operating challenges in South America. Is the bloom off the rose? Trends in sourcing customers from Latin America.</p>


	<p>Participants will include: VADM (Ret) William Burke Chief Maritime Officer, Carnival Corp. & Plc Alessandro Maccari Corporate Research & Innovation Manager, Fincantieri SpA Dracos Vassalos Professor of Maritime Safety/Director of the Ship Research Centre, University of Strathclyde / Chairman, Safety at Sea</p>	
	<i>Room C220</i>	<i>Room C223</i>
	<p>Market Segments</p> <p>Family Cruising For the first time at CSM, the spotlight will fall on the market for family cruising. What is the size and scope of this market and how is it likely to develop in the future? This session will look at how some cruise lines are engaging with this multigenerational sector, and what new features they are introducing to make their products more family friendly, including entertainment, onboard attractions, dining options and cabin design. Where in the world is the appeal for family cruise products strongest and how should this demand be addressed?</p> <p>Participants will include: Jim Berra SVP & Chief Marketing Officer, Carnival Cruise Lines Dennis Campbell President, Ambassatours Gray Line Scott Koepf Vice President Sales, Avoya Travel Jim Urry VP – Entertainment & Port Adventures, Disney Cruise Line</p>	<p>Cruise Product Development Track Sponsored by </p> <p>Marketing & Sales/Distribution Social media and mobile technology are deeply integrated into digital marketing techniques. A look at the latest developments and strategies. Sales and marketing approaches in a global marketplace and the changing distribution network; as well as the lines' interaction with the sales and distribution channels to tap new and repeat customers. Innovative ways to drill down to specific markets and the use of strategic marketing partnerships.</p> <p>Moderator: Lin Humphrey Ph.D. Candidate & Marketing Lecturer, Texas Tech University</p> <p>Participants will include: Gordon Ho SVP Marketing, Princess Cruises & Cunard Line Joni Rein VP Worldwide Sales, Carnival Cruise Lines Carol Schuster SVP Marketing, Royal Caribbean International Andy Stuart EVP, Global Sales & Passenger Services, Norwegian Cruise Line</p>

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Wednesday, March 12, 2014		
	<i>Room D235</i>	<i>Room D237</i>
	Ships and Ship Operations	The Global Geography of Cruise Tourism


<p>9:30am - 11:00am (concurrent)</p>	<p>Newbuilding Outlook Whilst the orderbook continues to be dominated by European builders, there is increasing level of activity and interest from Asian yards in this sector. What does the long-term future hold for Europe's established cruise shipyards and suppliers and what role will Asia play in the market? Have vessels reached optimum size in their various segments?</p> <p>Moderator: Eero Mäkinen Managing Owner, Emmanoa Oy Ltd.</p> <p>Participants will include: Kevin Douglas VP, Technical Projects, Newbuilding, Royal Caribbean Cruises Limited Greg Walton Vice President, RTKL Associates Inc Jean-Bernard Raoust President, Barry Rogliani Salles</p>	<p>The State of the Industry: Asia & Australasia As the cruise industry expands its commitment to Asia, the shape of the engagement is beginning to emerge, sometimes in unexpected ways. How will the cruise geography of Asia be mapped over the next five years, in terms of deployment, itineraries and destinations? And where will the new generation of Asian cruisers be found and what kinds of product will they demand? What lies behind the remarkable success story of cruising in Australia, and how has it achieved one of the highest penetration levels for cruise sales in the world?</p>
	<p>Room C220</p>	<p>Room C223</p>
	<p>Market Segments</p> <p>Upscale Cruise This session will consider the opportunities and challenges in the luxury cruise market. What are the characteristics of true luxury at sea, and are they changing? The importance of connectivity to the upscale cruise guest. Exclusivity in the selection of destinations and shore programmes. The concept of all-inclusivity at sea. Service standards and the challenge of recruiting and retaining top quality crew. Catering to the tastes of new consumers in the emerging markets of Asia, the Middle East and South America.</p>	<p>Cruise Product Development Track Sponsored by </p> <p>New Directions in Onboard Entertainment The constantly evolving world of onboard entertainment and activities programming comes into the spotlight in this session. A look at latest developments at sea, what's trending, what's fading and what's coming in the future? Adapting relevant entertainment options for the widening market and the role of mobile technology in onboard activities such as gaming. How do smaller and niche operators deliver content rich programmes focusing on new trends in enrichment speaking programmes.</p> <p>Moderator: Tony Peisley Director, A.R. Peisley International (Cruise Analysts), & Author of the 2014 Seatrade research report "End of the Beginning for Cruising"</p> <p>Participants will include: Laura Flager Outreach Executive, Compass Speakers and Entertainment Inc Mark Tamis SVP Guest Operations, Carnival Cruise Lines</p>


		<p>Jim Urry VP – Entertainment & Port Adventures, Disney Cruise Line Nick Weir VP Entertainment, Royal Caribbean International</p>
<p>10:00am - 12:00pm</p>	<p style="text-align: center;"><i>Room D233</i></p> <p>U.S. Coast Guard Forum Presented by the U.S. Coast Guard Cruise Ship National Center of Expertise</p> <p>Speakers: Bradley Clare U S Coast Guard Commander Eric Allen U S Coast Guard Lieutenant Commander Michael Metz U S Coast Guard Lieutenant Mr. Brad Schoenwald US Coast Guard Cruise Ship National Center of Expertise Mr. Scott Elphison US Coast Guard Cruise Ship National Center of Expertise Mr. Jason Yets US Coast Guard Cruise Ship National Center of Expertise Mr. Pat Hood US Coast Guard Cruise Ship National Center of Expertise Mr. Paul Culver US Coast Guard 7th Coast Guard District Rear Admiral Gerd Glang National Oceanic and Atmospheric Association</p>	
<p>3:00pm - 4:30pm (concurrent)</p>	<p style="text-align: center;"><i>Room D235</i></p> <p>Ships and Ship Operations</p> <p><i>Cruising's Green Agenda</i> Soaring fuel costs and ever-increasing regulatory burdens are imposing new pressures on cruise ship operators. The vast strides that have been made in raising ship efficiency are spawning a new generation of vessels while those operators with existing tonnage are modifying ships' engines, fitting new propellers, adopting new voyage planning and performance monitoring technologies and investing in the latest generation of marine coatings. This session will review and discuss how cruise lines, builders and suppliers are responding to the opportunities and challenges of the Green Agenda both today and in the future.</p> <p>Moderator: Bud Darr SVP, Technical and Regulatory Affairs, CLIA</p> <p>Participants will include: Fred Danska Director, Cruise Business, Wärtsilä Tom Degerman SVP Sales & Marketing, STX Finland Oy Jon Stewart President, International Maritime Technology Consultants, Inc</p>	<p style="text-align: center;"><i>Room D237</i></p> <p>The Global Geography of Cruise Tourism</p> <p><i>The State of the Industry: Europe</i> With Europe confirming its position as a major source market for the cruise industry, the varied nature and potential of the different national markets, the UK, Germany, Italy, Spain, France etc are coming more into focus. As the cruise industry expands its presence in these important markets, this session will consider how the uneven economic conditions across Europe and other factors may affect the pattern of growth in the short term. Europe as a destination continues to prosper, but how can it reach out to consumers in the emerging market places of Asia and South America?</p>

<i>Room C220</i>	<i>Room C223</i>
<p>Market Segments</p> <p><i>Expedition Cruising</i></p> <p>This segment of the cruise market embraces a wider variety of offerings than any other, in terms of hardware, destinations, activities, onboard experience and source market. As the appetite for eco-tourism and adventure travel increases, particularly in North America and Europe, this diversity is bound to continue to expand. What then are the opportunities for further development and what are the constraints? Can expedition cruise lines achieve a satisfactory ROI?</p> <p>Moderator: Roberto Giorgi President, V.Ships Leisure SAM</p> <p>Participants will include: Sarina Bratton Chairman Australasia, Compagnie du Ponant Hugo T. Modderman General Manager, Dolfinance George N. Papagapitos President, Travel Dynamics International</p>	<p>Cruise Product Development</p> <p>Track Sponsored by </p> <p><i>Onboard Revenue Generation</i></p> <p>Technology and communications as a way to drive onboard sales is a vibrant and fast moving part of the onboard revenue generating scene. How is the internet onboard being used for passengers to use their own devices to learn about and buy products? At the same time, new technology is speeding internet and lines are widening bandwidth to improve access at sea. What are the challenges and opportunities? How are lines reinventing the sale of traditional revenue generators such as f&b, shorex, shopping and photography.</p> <p>Moderator: Adam Snitzer Principal, Peak Revenue Performance, Inc</p>

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Thursday, March 13, 2014		
	<i>Room D235</i>	<i>Room D237</i>
<p>9:30am - 11:00am (concurrent)</p>	<p>Ships and Ship Operations</p> <p><i>Refurbishment</i></p> <p>The annual value of the cruise ship refurbishment sector is moving closer and closer to that of the newbuild market as lines continue the trend of major makeovers every three to five years in a ship's life cycle. Revitalisations are becoming more daring, more complex and quicker. A look at cruise line, shipyard and suppliers' strategies in this booming sector.</p> <p>Moderator: Maxine Krajniak VP Global Cruise, UTi</p> <p>Participants will include: Christian F. Compton Senior Director, Corporate</p>	<p>The Global Geography of Cruise Tourism</p> <p><i>The Interface with the Port and the Role of the Ship Agent</i></p> <p>As the globalisation of the industry continues to extend its reach to new destinations in new geographies, this session will look at the critical interface between ship and port, and consider the issues which most impact upon it, including berth allocation, fee structures and port dues, navigational priorities, security in port, immigration, bunkering etc. What are the cruise lines looking for their port agent?</p> <p>Participants will include: Elisabetta de Nardo Port Operations & Development Director, Costa Crociere & Iberocruceros</p>

	<p>Ship Refit, Carnival Corp & Plc Kelly Gonzalez VP, Architectural Design, Newbuilding & Fleet Design, Royal Caribbean Cruises Limited Päivi Haikkola Head of R&D, Deltamarin Ltd Rüdiger Pallentin Managing Director, Lloydwerft Bremerhaven GmbH</p>	<p>Giulio Schenone Chairman, Medov Srl Tom Spina Director, Port Finance & Analysis, Norwegian Cruise Line</p>
	<p><i>Room C220</i></p>	<p><i>Room C223</i></p>
	<p>Market Segments</p> <p>Itineraries & Shorex The importance of shorex programmes to the cruise product cannot be overstated, both for what they contribute to the cruise experience and as a generator of revenue for the cruise lines and their destinations. So adding a new dimension to existing excursion offerings, whether through investment or by creative thinking, motivates guests and enhances profitability. This session will look at some of the best new ideas in shorex programming and fulfilment and consider the challenge of independent tours.</p> <p>Participants will include: Ross Henderson VP, Onboard Revenue, Norwegian Cruise Line Steve Hites President, Skagway Street Car Company & St. Kitts Scenic Railway Ltd. Giora Israel SVP, Global Port & Destination Development Group, Carnival Corporation & Plc</p>	<p>Cruise Product Development Track Sponsored by  MCP</p> <p>Sea and Air This session will review the relationship between the cruise industry and the airlines and latest trends in Air/Sea strategies. Panellists will also discuss the cruise lines offer of choice of carriers and advance seat booking at competitive rates, the impact of low cost carriers and online airfares, the importance of airlift in destination growth and the practicalities of port-to-air baggage transfers.</p> <p>Participants will include: Mike McFadden President, MAC Maritime, Inc & Cruise Consultant, Guadeloupe Port Authority</p>
	<p><i>Room D235</i></p>	<p><i>Room D237</i></p>
<p>3:00pm - 4:30pm (concurrent)</p>	<p>Ships and Ship Operations</p> <p>Technical Innovations at Sea Simulated skydiving, an observation capsule providing a bird's eye view 300ft above the water and energy-efficient scrubbers are just three of the technological innovations being incorporated into cruise ships under construction. Already in place on vessels afloat are electric engines, hydro-dynamically efficient hulls, LED lighting systems, reverse osmosis systems for fresh water production, SCR-catalytic converters for reducing nitrogen oxide</p>	<p>The Global Geography of Cruise Tourism</p> <p>Cruise Terminal Design Now and for the Future What matters most in the design of a cruise terminal? Iconic architecture or operational efficiency? When and how can the two be combined? Do destinations take enough account of the views of cruise lines before commissioning new terminal designs? What are the key considerations in designing a state of the art terminal for the mega ship generation? For the ports of call, the watchwords are safety, efficiency and cleanliness.</p>

<p>and elevators powered by solar panels to name a long list of technical innovations at sea. Just how far has the cruise industry come in this field, and how far might it stretch?</p> <p>Participants will include: Helge Hermundsgård Director Global Cruise Center, DNV GL Vertti Kivi CEO, dSign Vertti Kivi & Co</p>	<p>What else is needed?</p> <p>Participants will include: Hugh Darley President/Executive Producer, IDEA, Inc Mike Koutz Director Turnarounds East Coast, Inter cruises Shoreside & Port Services Folco Riccio President, Folco Riccio Architecture & Urban Design John F. Tercek VP, Commercial & New Business Development, Royal Caribbean Cruises Limited</p>
<p><i>Room C220</i></p>	<p><i>Room C223</i></p>
<p>Market Segments</p> <p>River Cruise</p> <p>Confidence in the outlook for European river cruising is high, despite a year of mixed fortunes in 2013, as operational issues and weaker demand in the continental European source markets impacted some operators. With strong investment in new capacity, some of the long-term structural issues, such as market fragmentation and product differentiation, are being addressed. As the river cruise market matures, what are the challenges to achieving its full potential? The outlook for US flag river cruising.</p> <p>Moderator: Helge Grammerstorf Managing Director, SeaConsult GmbH, National Director, CLIA Germany & Managing Director, IG RiverCruise</p> <p>Participants will include: Joe Maloney VP, US Sales & Marketing, Scenic Tours USA Charles A. Robertson Chairman & CEO, American Cruise Lines, Inc, Chesapeake Shipbuilding Corp., & Pearl Sea Cruises LLC</p>	<p>Cruise Product Development</p> <p>Track Sponsored by </p> <p>What's Cooking? Food & Beverage Trends</p> <p>Cruise lines are ever more inventive and creative in emulating and sometimes surpassing the latest dining and drinking trends ashore. More sophistication/co-branding at every level from poolside burger joints to top gourmet experiences are the order of the day. This session will discuss latest developments and where to next? For both established and new suppliers a look at new directions in f&b and hotel operations including f&b incorporated into marketing, onboard and shoreside activities, mixology, the rise of retro cocktail bars, automated wine service by the glass and bringing the slow food movement onboard.</p> <p>Moderator: Deborah Golden Principal Consulting Partner, Golden & Company</p> <p>Participants will include: Enrico Borniotto General Manager, MSC Italcatering Kenneth L. Taylor AVP Food & Beverage Operations, Royal Caribbean International & Azamara Club Cruises Frank Weber VP Product Development, Norwegian Cruise Line</p>

**This program is subject to change at any time.*