

BOARD OF DIRECTORS

Daniel J. Tydingco, Chairman
Christine Won Pat Baleto, Vice Chairperson
Mary Michelle Gibson, Secretary
Michael T. Benito, Member
Eduardo R. Ilao, Member



Resolution No. 2013-03

RELATIVE TO FILING AN INTERIM TARIFF PETITION TO THE PUBLIC UTILITIES COMMISSION IN SUPPORT OF THE PORT MODERNIZATION PROGRAM AND PORT CARGO TERMINAL WHARF SUSTAINABILITY INVESTMENT

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

WHEREAS, the Jose D. Leon Guerrero Commercial Port was created by Public Law 13-87 on October 31, 1975; and

WHEREAS, the Jose D. Leon Guerrero Commercial Port and its Board of Directors has an ongoing responsibility to preserve sustainable operation of the Commercial Port and improve services to the people of Guam; and

WHEREAS, on October 22, 2012, the Port previously filed with the Public Utilities Commission its 20-Year Financial Plan and 5-Year Rate Plan describing projected near-term Port Modernization Program Improvements and long-term Sustainability Investments; and

WHEREAS, the Port has now commissioned its Owner's Agent/Engineer to update the 2007 Master Plan and generate related 5-Year Tariff Petition Schedules in support of its previous investment projections; and

WHEREAS, the Port seeks to implement near-term improvements to its Financial Management and Terminal Operating Systems as part of the Port Modernization Program and balance that with a wharf-stabilizing Service Life Extension Project, both initiatives being consistent with the aforementioned investment projections; and

WHEREAS, an interim tariff adjustment is necessary to keep pace with inflation and finance these known and urgent improvement and sustainability investments; and

WHEREAS, the financial analysis conducted by the Port's Owner's Agent/Engineer has determined that a general increase matching the CPI Index of 3.55% is necessary to keep pace with cost of living increases and is applicable to all expenses in general; and

WHEREAS, the cost of financing the Service Life Extension Project and Systems Upgrades effectively adds 2.1% to the CPI increase of 3.55%; and

WHEREAS, the composite across the board increase accounting for improvements and sustainability investments and cost of living adjustments amounts to 5.65%; now therefore be it


RESOLVED, the Board of Directors hereby supports the near-term investment in Service Life Extension of the Public Cargo Terminal Wharf and the Upgrade of the Port's Financial and Terminal Operating Systems; and be it further

RESOLVED, the Board of Directors hereby authorizes release of Public Notice on the intended Interim Tariff Petition to support the financing of these projects; and be it further

RESOLVED, the Board of Directors hereby authorizes submission of an Interim Tariff Petition for 5.65% to the Public Utilities Commission following adequate Public Notice; and be it further

RESOLVED, the Chairman certify to, and the Secretary attest to, the adoption hereof and that a copy of this resolution be sent to the Public Utilities Commission, the Honorable Judith B. Won Pat, Speaker of the 32nd Guam Legislature, and the Honorable Thomas C. Ada, Oversight Chair for Committee on Public Safety, Infrastructure & Maritime Transportation.

**PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF
DIRECTORS THIS 9th DAY OF MAY, 2013.**


DANIEL J. TYDINGCO
CHAIRMAN, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM




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