

# PORT *MODERNIZATION* at a GLANCE



**Port of Guam Modernization Program – An Inside Look  
Master Plan Development Outcome  
2024 APP Winter Conference**

Turtle Bay Resort  
January 24 – 26, 2024



# Evolution of the Port of Guam Master Plan

## Background

- Funded by a grant from the Office of Local Defense Community Cooperation (formerly the Office of Economic Adjustment) under the Department of Defense (DoD), the Port Authority of Guam (PAG) commissioned Parsons Brinckerhoff to update its 1999 Master Plan of the Jose D. Leon Guerrero Commercial Port in 2007;
- Conducted against the backdrop of a highly publicized, rapid and large military build-up, the Master Plan's Port Improvement Program (PIP) was later updated in 2013 to reflect DoD's reset plans to reduce the number of Marines to be transferred to Guam;
- The 2013 Master Plan Update summarizes the evolution of change in the Port's modernization program and provided a "roadmap" to guide the PAG's modernization and future development strategy;
- This presentation provides an Inside Look at 2023 Master Plan Update initiatives that have and will continue to enhance the Port's core capabilities, resiliency, sustainability, and maritime security posture.



# 2013 Master Plan Update

## Port Modernization – Phase I

- In response to the goals and objectives of the 2013 Master Plan Update, the Port of Guam has been successful in completing critically important projects that have expanded its facilities, upgraded its equipment, enhanced its maritime and security posture, and improved its operational efficiencies;
- Execution of the 2013 MP Port Improvement Program (PIP) was accomplished by dividing the PIP into two separate programs. Phase I was the Modernization Plan that upgraded Port facilities and infrastructure. Phase II was the Sustainability Plan that called for the acquisition, maintenance, and sustainment of Port facilities and equipment;
- The \$50M Guam Commercial Port Improvement (GCPI) Program resulted in the completion of over 90% of capital improvement projects and equipment acquisitions identified in the 2013 Master Plan.

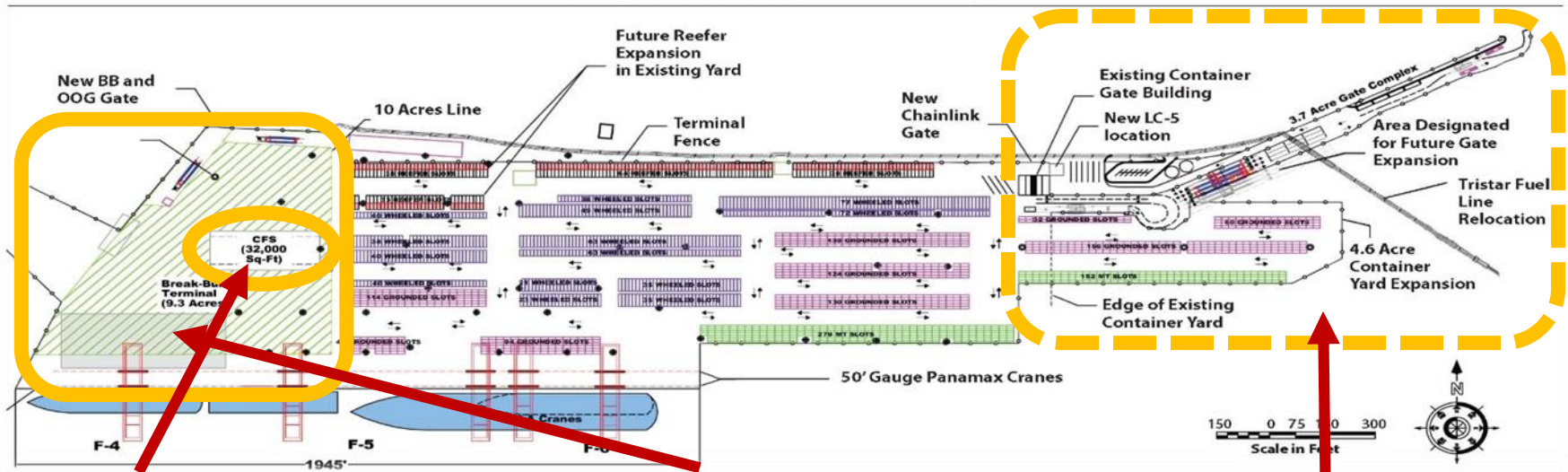


# 2013 Master Plan Update

## Port Modernization Plan

Guam Commercial Port Improvement (GCPI) Program  
\$50 Million

Diagram of Port Improvement Projects



Phase I

Phase II

Phase III



# 2013 Master Plan Completed Projects

- DoD/MARAD Guam Commercial Port Improvement (GCPI) Program  
\$50 Million
- DHS/FEMA Port Security Grant Program  
\$12.3 Million
- DOI OIA/FWS/FWA/PAG Funded Program  
\$19.1 Million
- USDA/PAG Equipment Acquisition Program  
\$16.9 Million

# 2023 Master Plan Update

## Resiliency and Readiness – Phase II

- The Port's 2023 Master Plan Update, [https://portofguam.com/sites/default/files/2023\\_pag\\_master\\_plan\\_report\\_final2023-03-31.pdf](https://portofguam.com/sites/default/files/2023_pag_master_plan_report_final2023-03-31.pdf), defines its near-term and long-term approach to resiliency, maintain fiscally viable operations and ensure that identified CIP projects that are critical components to its state of readiness are completed on a timely manner;
- Rehabilitate and expand Port facilities to accommodate organic growth, military buildup activities, and follow-on DOD operations to support INDOPACOM's Pacific Deterrence Initiative;
- The 2023 Master Plan is focused on implementing a Port Improvement Plan (PIP) comprised of two categories: Port Readiness Plan (PRP) and Sustainability Plan (SP).
  - The PRP is divided into Capital Improvement Projects and Other Readiness Projects that **addresses the hardening of port infrastructure** to ensure resiliency, reliability, and supply chain sustainability for all Port users, the island community, and DOD's mission in Guam.
  - The SP addresses continued professional and technical services oversight and support to **address environmental initiatives** to reduce the port's carbon footprint and reduce its greenhouse effect and strategic goals toward zero waste improvements.

# 2023 Master Plan Update

## Key Initiatives

- **STS Crane Replacement** – The Port’s three operational Ship-to-Shore (STS) Gantry Cranes are reaching the end of their use life and require replacement as soon as possible to support the military buildup and continued commercial and DOD future uses;
- **Fuel Pier Replacement** – The Port operates two fuel piers, Golf Pier and F1 Pier. These piers are the primary source of fuel for Guam residents, the Guam Power Authority (GPA) and a secondary source for the military. These facilities were damaged by Typhoon Mawar with Golf Pier rendered indefinitely inoperable;
- **Hotel Wharf and Access Roadway Rehabilitation and Upgrade** - The project will reconstruct and expand a wharf built in 1948, including a new sheet pile bulkhead retaining wall and upgrade the existing access roadway leading to the wharf;

# 2023 Master Plan Update

## Key Initiatives

- **Wharf Replacement** – The Port handles containers, general cargo and bulk cargo at Berths F2 through F6. These berths are 1960s vintage assets that have exceeded their useful life and are remaining operational with costly service life extensions;
- **Area A Fuel Storage Facility Rehabilitation/Upgrade** – Replacement of above-ground fuel storage tanks and infrastructure to serve as an ideal secondary/alternate fuel depot to support DoD’s anticipated fuel capacity requirements in the Indo-Pacific Theater;
- **IT Improvements** – Upgrade the Port’s Terminal Operating System (TOS), develop supporting IT Infrastructure and Cyber Security roadmaps to enable the PAG to operate and collaborate with DOD and port users more efficiently and securely; and
- **Port Buildings Demolition & Replacement** – Demolition of buildings that were built in the 1960s that have exceeded their useful life and development of replacement structures to accommodate current and future functions.



# The Way Forward

Shifting from a modernization mode to a more pronounced readiness mode of management, infrastructure hardening and operation, the Port, **in the last 4 years**, has invested nearly \$56 Million in completed, ongoing and approved CIP projects to upgrade port facilities and equipment. This includes \$8.2 Million in completed projects and \$47.7 Million in active, approved or ongoing projects.

## **Ongoing Projects:**

- Waterlines Replacement Project
- Warehouse 1 Bldg. Repair & Roll Up Doors Replacement Project
- Equipment, Maintenance & Repair (EQMR) Building Renovation and Upgrade
- F1 Pier and Golf Pier Fuel Pipeline Connectivity Project
- Gantry Cranes 2 & 3 Demolition
- F1 Pier, Wharves F2 – F6 Service Life Extension Repair Project
- Fender Repair & Replacement Project
- Agat Marina Dock B Demolition and Upgrade
- Agat Marina Bathroom Construction Project

# The Way Forward

## Planned 2023 Master Plan Resiliency & Readiness Initiatives

- Typhoon Mawar Public Assistance Program Repair Projects
  - Golf Pier Replacement Project
  - F1 Pier Replacement Project
  - Fender Replacement Project (hazard mitigation)
  - Various Port Assets Repair Projects
- PAG New Cranes Acquisition Program
- Hotel Wharf and Access Roadway Project
- Rehabilitation of Area A Fuel Storage Facility
- OLDCC funded In-water & Military Readiness Feasibility Study
- OLDCC funded Port Sustainability and Resiliency Study
- Guam/CNMI Regional Resiliency Assessment Report (RRAP)
- PAG/PUGG/Customs Port Community System
- Solar Power Feasibility Study
- Microgrid Feasibility Study
- Shore Power Pit Hardening Project
- Customs Inspection Facility (Feasibility Study by the Port)

# Federal Grant Funding Acquisition Process



## Project Development Process

### PLANNING STAGE

#### Brainstorming

- » Collaborate potential project ideas from end users and stakeholders;
- » Discuss feasibility of proposed ideas with Strategic Planning Division Staff;
- » Is it compliant to the Port's vision and mission?
- » Does it conform to the Master Plan goals and objectives?
- » Determine rough budgetary needs
- » Present prelliminary findings to General Manager for review and concurrence.

#### Find Funding Sources

- » Consult with Chief Financial Officer
- » Search potential federal agencies' sources and based on grant NOFO eligibility criteria, leverage federal funding to offset Port cost share.

#### Review Funding Source Requirements

- » Timelines
- » Matching funds needed
- » Availability of Mgmt. & Admin. Cost as well as Indirect Costs?
- » Determine and address other application requirements:
  - › Letters of Support
  - › Condition Assessments & Reports
  - › BCA
  - › Other supporting documents

#### Move to next stage



# Federal Grant Funding Acquisition Process



## Project Development Process

### PROPOSAL DEVELOPMENT STAGE

#### Develop Timetable

- » Develop a timetable for completing necessary steps

#### Organize Resources

- » Organize needed resources to prepare application/proposal

#### Prepare Draft

- » Prepare a draft narrative and budget

#### Initiate Internal Review

- » Consult with end users and stakeholders
- » Consult with pertinent Port Divisions to review and finalize draft
- » Prepare final presentation to General Manager and Management Team on Final Draft

#### Finalize Proposal

- » Finalize proposal narrative and budget

#### Proposal Submission to Funding Agency

- » Obtain necessary authorizations and approvals to submit external proposal
- » Compile necessary materials and documentation
- » Obtain necessary technical support for application processing

#### Post-Award

- » Follow awardee process
- » Comply to institutional processes
- » Manage financial obligation
- » Stay within budget
- » Fulfill promise
- » Monitor outcomes
- » Evaluate impact
- » Stewardship



# Federal Agency Partners

- US Department of Defense
- US Office of Economic Adjustment
- US Department of Homeland Security/FEMA
- US Department of Transportation
- US Army Corps of Engineers
- US Department of Interior
- US Department of Agriculture
- US Fish and Wildlife Services
- US Office of Public Safety

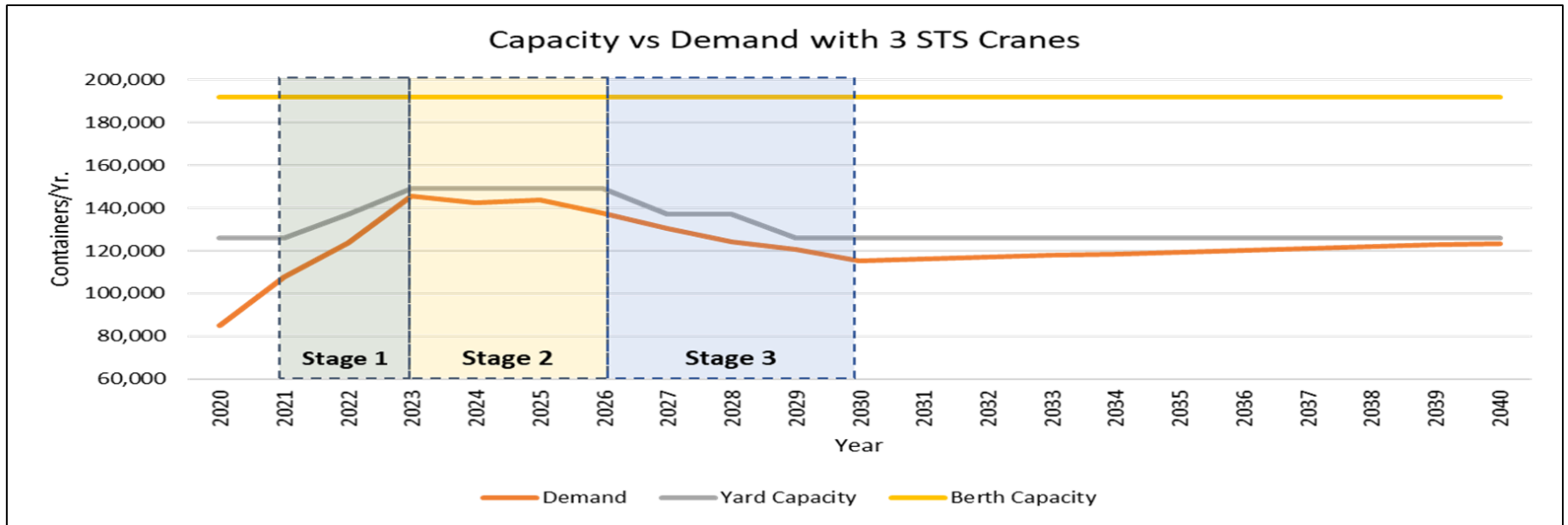




# PAG Major Challenge

## STS Crane Replacement Importance

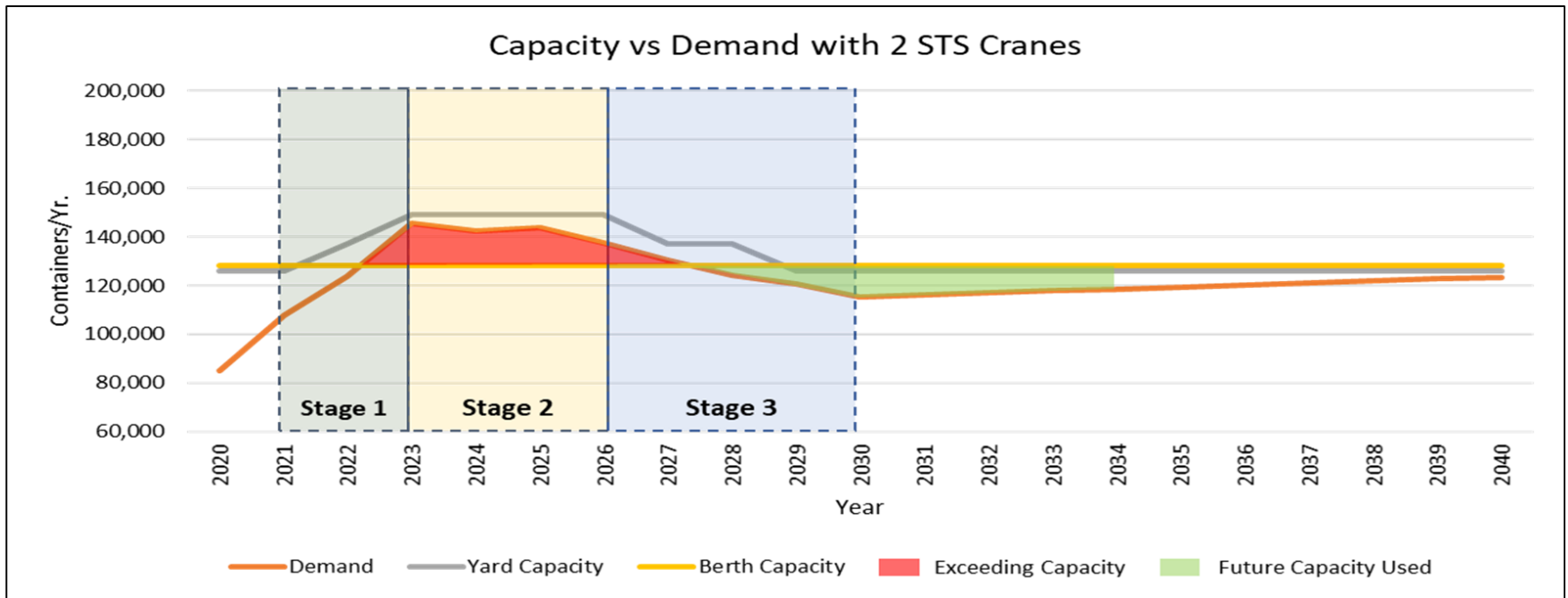
- Existing 3 Cranes
  - Meets forecasted demand



# PAG Major Challenge

## STS Crane Replacement Importance

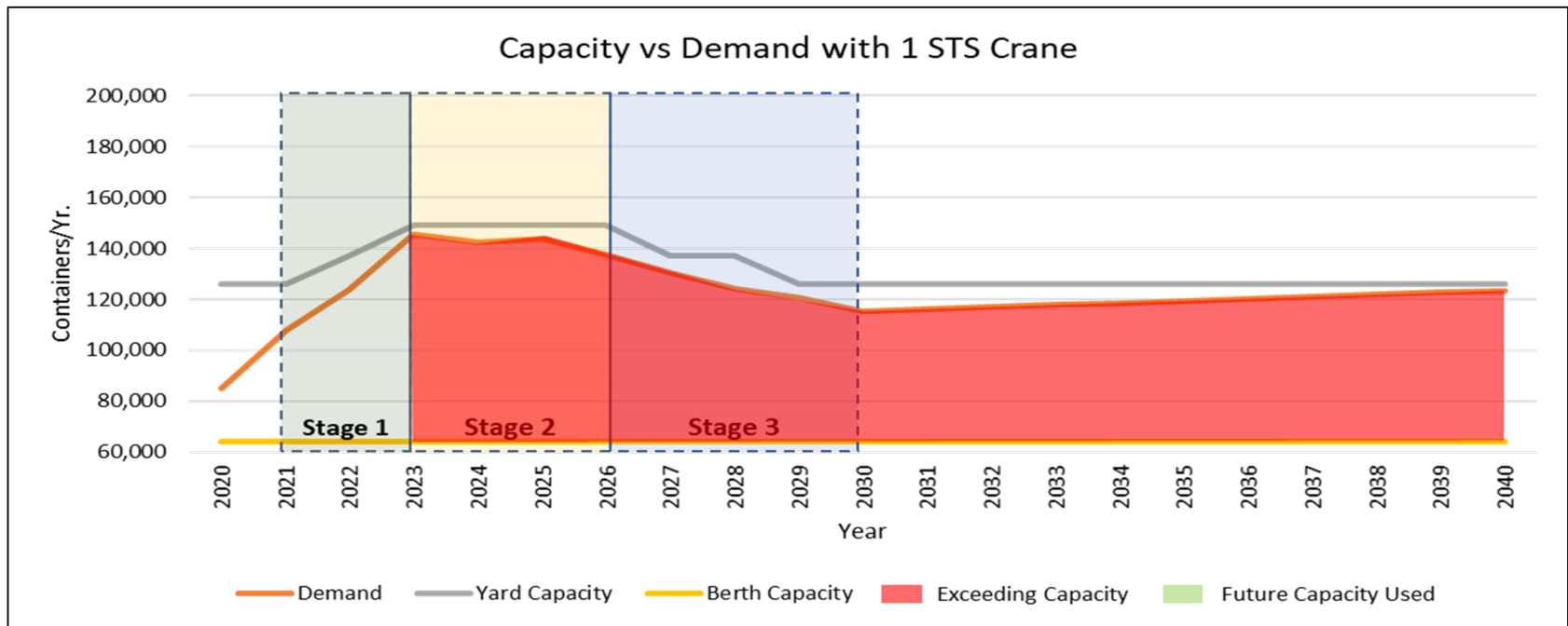
- 1 Crane out of service
  - DoD build-up delayed up to 4 years



# PAG Major Challenge

## STS Crane Replacement Importance

- 2 Cranes out of service
  - Does not meet commercial demand or DoD mission



# PAG Next Steps

- Continue to share narrative on the importance of the replacement of STS gantry cranes, rehabilitation of Golf and F1 Piers, hardening of Port wharves and infrastructure, and replacement of aged buildings
- Build America, Buy America Act (BABAA) Waiver – The Port, along with other regional jurisdictions, is hopeful that MARAD will approve the blanket waiver request for Pacific Island territories on construction materials and equipment acquisitions
- Continue to elevate PAG's strategic importance to DOD's Pacific Deterrence Initiative to key policy makers and advocacy groups like the AAPA and APP
- Continue to pursue funding/financing opportunities to further harden Port facilities to achieve resiliency and supply chain sustainability

# Port Authority of Guam

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