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BENJAMIN CRUZ <speaker@senatorbjcruz.com>

MC Fwd: PAG Board Meeting Material May

1 message

BENJAMIN CRUZ <speaker@senatorbjcruz.com> Fri, Jun 1, 2018 at 3:22 PM
To: 34th Guam Legislature Clerks <clerks@guamlegislature.org>
Cc: Rennae Meno <rennae@guamlegislature.org>

06/01/18	06/01/18	Port Authority of Guam	Board of Directors, May 30, 2018 board meeting materials*	34-18-1947

---------- Forwarded message ---------
From: **Marge Duenas** <mduenas@portguam.com>
Date: Fri, Jun 1, 2018 at 2:55 PM
Subject: PAG Board Meeting Material May
To: speaker@senatorbjcruz.com

Hafa Adai Speaker Cruz,

In accordance with Section 8113.1, Chapter 8, 5 GCA, the Port Authority of Guam hereby submits an electronic copy of its Board of Directors, May 30, 2018 board meeting materials.

Regards – Marge

GLA34-18-1947
Speaker Benjamin J.F. Cruz

JUN 0 1 2018

Time 322 [ ] AM [ ] PM File No. _____

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OFFICE OF SPEAKER BENJAMIN J.F. CRUZ

Committee on Appropriations and Adjudication

I Mina'trentai Kuatro na Liheslaturan Guåhan

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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

REGULAR MEETING OF THE BOARD OF DIRECTORS
Jose D. Leon Guerrero Commercial Port
Wednesday, May 30, 2018
11:45 a.m.

A G E N D A

I. CALL TO ORDER

II. APPROVAL OF MINUTES
1. April 19, 2018 – Regular Board Meeting

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

IV. GENERAL MANAGER'S REPORT

V. OLD BUSINESS
1. Formulation of Board Committee

VI. NEW BUSINESS
1. Legal Professional Services
2. IT Conversion Positions
3. Finance Division – Organizational Chart
4. IFB-PAG-CIP-017-002 Concrete/Asphalt Pavement & Fire Hydrant Repairs
5. Board Resolution No. 2018-03 – Designation of Signatories
6. Board Resolution No. 2018-04 – Concrete/Asphalt Pavement & Fire Hydrant Repairs
7. Board Policy Memorandum No. 2018-02 Facility and Equipment Color Code
8. Board Policy Memorandum No. 2018-03 Financial Management
9. Budget Transfer Request:
   a. Diving Services
   b. GovGuam Liberation Day Parade
   c. Utility Terrain Vehicle
   d. Video Production
   e. PAG Revenue Bond
10. Travel Authorization Request:
    a. Incident Response to Terrorist Bombing, New Mexico Tech, July 10-13, 2018, Socorro, New Mexico
    b. 105th Annual Conference Association of Pacific Ports (APP), July 15-18, 2018, Stockton, California

VII. ADJOURNMENT

Port of Guam, Jose D.Leon Guerrero Commercial Port is an Equal Employment Opportunity Employer.
Complaints of discrimination should be sent to the Human Resources Division.
Doc. No. 34GL-18-1947.*

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MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS Thursday, April 19, 2018

I. CALL TO ORDER

There being a quorum, the regular meeting of the Board of Directors was called to order at 11:50 a.m., Thursday, April 19, 2018. Present at the meeting were:

Francisco G. Santos, Chairman
Oscar A. Calvo, Vice Chairman
Melanie R. Mendiola, Board Secretary
Maria D.R. Taitano, Member
Nathan T. Taimanglo, Member
Joanne M.S. Brown, General Manager
Felix R. Pangelinan, Deputy General Manager, Operations
Alfred F. Duenas, Deputy General Manager, Admin/Finance
Atty. Darleen Hiton, Co-Counsel

Also present was Senator Frank Aguon office-TJ Quichocho; Deloitte & Touche-Lee Vensel; Office of Public Accountability-Edwin Dalisay; PDN-Kevin Taro; KUAM-Nestor Licanto; Marianas Business Journal-John Borja; Guam Post-Louella Losinio; and Port Management staff.

II. APPROVAL OF MINUTES

a. **March 29, 2018 – Regular Board Meeting:** Director Taitano made motion to approve the minutes of March 29, 2018 subject to correction. The motion was seconded by Director Mendiola and was unanimously passed.

III. PUBLIC COMMENTS

a. **Public Comments:** None.

b. **Employee Comments:** None.

c. **PAGGMA Association:** PAGGMA President Raymond Santos announced that May 25, 2018 is the Relay for Life at the GW Track & Field. The Port Authority of Guam has been designated as the lead agency in the planning and coordination of the event for all government of Guam agencies.

IV. GENERAL MANAGER'S REPORT

1. **PUC Hearing Scheduled for Sale of Port Revenue Bonds:** The Port Authority submitted a petition on its Revenue Bonds that is scheduled on April 26, 2018 before the Public Utilities Commission (PUC) for approval. This is the first in the Port's 43 year history as an autonomous agency to undertake such a significant financing initiative to address critical infrastructure at the Port of Guam.

2. **Supreme Court of Guam Schedules Oral Arguments Hearing on YTK:** Oral Arguments on the YTK case is scheduled on June 14, 2018 before the Supreme Court.

3. **Bond Meeting to Finalize Indenture Documents:** The Port Team attended the bond meeting in San Francisco on March 14-15, 2018 to further review and discuss remaining issues with the preliminary official statement, indenture documents and engineer's report. Representatives present in the meeting were PAG Team, GEDA, Port's Consultant-WSP, Orrick, Citigroup, RBC, and Kutak Rock.

4. **Governor Rescinds Furlough and Administrative Leave Restrictions:** The Governor of Guam through Circular No. 2018-36 rescinds the restriction on administrative leave. The restriction was prompted by the governments efforts on its austerity measures in reducing the cost in government. The Governor also issued a notice that rescinds the furlough for employees government-wide.

5. **Meeting with MARAD on Cooperative Agreement and TIGER Funding:** Port representatives met with US Department of Transportation to discuss the status of the Port's TIGER award and a Cooperative Agreement. The TIGER award addresses the H-Wharf rehabilitation project. The Cooperative Agreement utilizing residual funds of $2.4M from the Port's Modernization Program will be applied towards the acquisition of four new Top Lifters as well as perform needed repairs on the expanded yard.

6. **MARAD Increases Federal Obligation to Pay for Port Top Lifters:** MARAD officials had informed the Port that the Port Modernization Program has a remaining fund of $2,659,422.00 as oppose to the $2.4M reported previously. With the new residual funds, MARAD has confirmed that they will cover the full amount in the purchase of four new Top Lifters for the Port as well as cost to cover needed repairs of the expanded yard project.

7. **OEA Grant Application:** On April 3, 2018, the Port submitted a new grant application through the Office of the Governor for funding assistance from the Office of Economic Adjustment. If the Port is awarded this grant from the US Department of Defense, Office of Economic Adjustment, the Port will be able to continue technical support services from its Owner/Agent Engineer that has been assisting the Port with its Modernization Program and Bond related projects. The grant amount requested is at $900K that will allow for the Port's OAE Consultant to provided future technical services for program management, annual tariff verification and PUC report, CIP bond program project support services, facility and equipment

maintenance program improvements, STS crane replacement program and terminal operating system implementation refinements.

8. **PUC Petition on Marina Fees:** The Port petitioned PUC to modify the Facility User Fees for the Hagatna Marina, Agat Marina and the Harbor of Refuge. Port outreach efforts were conducted on January 19, 2018 and March 19, 2018.

9. **Civilian-Military Coordinating Council Charter:** The signing of the Civilian-Military Coordinating Council (CMCC) Charter by the Governor of Guam to include other local and federal government agencies took place on April 12, 2018. The Port Authority was included as a signatory and identified under the Infrastructure category. The primary function of the CMCC is to gather, share, and analyze data; coordinate discussion among DoD, Government of Guam, and federal agencies regarding any significant environmental, sociocultural, socioeconomic, general/public services, public health and safety, environmental justice and protection of children, or infrastructure resources impacts on Guam affected by the Marine Relocation effort; and develop recommend to adjust current and future DoD construction tempo and sequencing of construction activities on Guam.

10. **MOU for Joint Inspections with the USCG, CQA and the Port:** The Port signed a memorandum of understanding on April 11, 2018 with the US Coast Guard and the Guam Customs & Quarantine Agency to maximize the opportunity for joint inspections among the respective agencies regarding containers and breakbulk cargo.

11. **MOA between CQA and Port Authority Police for Enforcement Operations:** The Port signed a memorandum of agreement on March 1, 2018 with Guam Customs & Quarantine and Port Police to facilitate interagency cooperation during marine enforcement operations. Both agencies have the authority and responsibility for detection of the illegal importation of narcotics into Guam. The desired outcome of the MOA is to combine jurisdictional authority and resources under the Maritime Interdiction Task Force (MITF) to address the importation of contraband, illegal weapons, and illicit narcotics by sea.

12. **Introduction of Bill No. 252 to place a Moratorium on the Port's Bond Initiative:** On March 8, 2018, Senator Telena Nelson introduced Bill No. 252-34 "An Act relative to establishing a temporary moratorium on the Board of Directors of the Jose D. Leon Guerrero Commercial Port of Guam from entering into Bond Covenants until such time that the Port comes into compliance and continue to comply with Section 22421 of Chapter 22, Title 5, Guam Code Annotated". The bill references the payment-in-lieu-of-taxes (PILOT) that was to be charged to autonomous agencies to pay for services provided by the Government of Guam related to roads, fire protection and police services. The proposed bill would also subject the Board Members and Port employees to both individual civil and criminal penalties if these parties do not act in accordance with the proposed legislation. In the past and as part of the PILOT program, the Port has transferred $3.5M back in September 1997. In addition, the Port transferred $2M to the general fund to support Typhoon Paka relief and restoration with the understanding that the Port was to be reimbursed by the Government of Guam. No reimbursements were made. There are issues with regards to the implementation of the PILOT

law to include that the "...formula is decided upon by the Governor in consultation with the Board of Directors of the Agencies". There was no consultation that had taken place. Furthermore, it is the Public Utilities Commission and not the Governor that has been authorized by law to set the rates for the Port. It is important to note that other than the Port Authority, there are no other autonomous agency that has ever transferred funds to the General Fund under the PILOT program. The Port continues to pursue and comply with its bond initiative in accordance with Public Law 34-70 and will provide testimony in full opposition to Bill No. 252-34.

13. **Introduction of Bill No. 257-34 to Eliminate the Tax Exemption on Liquid Fuel Transshipped through Guam:** On March 13, 2018, a bill was introduced relative to eliminating the tax exemption on liquid fuel transshipped through Guam and to appropriate revenues to the Guam Environmental Protection Agency, Guam Police Department and Guam Fire Department. There have been two public laws previously passed – Public Law 18-2 and Public Law 22-43 to implement the original liquid fuel tax exemption. There have also been two previous attempts through Bill Nos. 429-30 and 279-31 to eliminate the tax exemption on liquid fuel transshipped through Guam. The Port has been in opposition to the removal of the tax exemption as it has the potential to lose transshipment related revenues as fuel companies may bypass Guam as a storage and transshipment location due to the increase cost. The Port will provide testimony in opposition of this legislation.

V. OLD BUSINESS

No old business discussed.

VI. NEW BUSINESS

1. **FY2017 Port Audit:** At this time, the members recognized the presence of Mr. Lee Vensel, Deloitte & Touche. Mr. Vensel thanked the members and said the Port Authority's report on the financial statements for the year ending September 30, 2017 is unqualified, which generally means there are no problems with the accounting. However, he pointed out that the matter involving the Guam YTK litigation indicating that there are no provisions in the financial statement that has been recorded for the resolution of this issue. The other issue is the adoption of GASB Statement No. 73 which deals with pensions specific to the supplemental and the COLA which is recognized as a liability.

Mr. Vensel briefly presented the following:

Statement of Net Position

- Total assets and deferred outflows of resources at $177M from $171M which is due to increase in current assets.
- Total Current Liabilities is an increase of about $1.5M.
- Debt drawdown on Bank of Guam debt of about $2.5M which offsets what was paid on other debts.
- Net Positions which is the equity that the Port has that decreased due to the restatement in the adoption of GASB 73.

- Income Statement: Revenues are down by $2M due to the reduction of containers and breakbulk handled.
- Operating Expense increased by $1M which means that Earning from Operations went from $7.2M down to $4.2M which results in about a $3M decrease in Earnings from Operations. However, is offset by Non-Operating Expenses which was reduced by about $2.5M.
- Earnings before Capital Contributions is down about $600K.
- Capital Grants is $1M less in FY2017.
- Net Position at End of Year is at $91M as compared to last year at $86M.

As to GASB 73, Mr. Vensel pointed out that the adoption effects of GASB 73 is that the FY2016 financial statements were restated. The Net Pension Liability in FY2016 is at $42M which was restated to $57M for FY2017, resulting in a $15M adjustment – an increase in pension liability. The Net Position which largely offsets the pension liability from over $100M in FY2016 with a restatement of $87M for FY2017, which resulted in a fairly significant negative impact on the Port's financial position.

As to GASB 75 pronouncement, Mr. Vensel said it requires the Port to include on its books the potential future liability for providing retiree health benefits. The impact is about $39M which is an increase in liabilities. He recommended that this information be provided as part of the bond discussion. Mr. Vensel stated that GASB 75 is not unique to the Government of Guam, as U.S. Governments will be required to implement this statement as well.

Internal Control and Compliance

- Procurement finding in the non-compliance of the procurement regulations. The bidding was handled at GSA. The issue was an award made to a bidder who did not meet all the procurement requirements when another bidder did. There were no documentation on file as to why this occurred.

Director Taimanglo asked whether the findings in procurement is recorded in GSA's audit report because the Port does not have its procurement delegation of authority for goods and services. Mr. Vensel replied that it may be unlikely as the procurement bid was for the Port even though the process of procurement was performed by GSA. Mr. Alfred F. Duenas, Deputy General Manager of Admin/Finance (DGMA) mentioned that as part of an action plan, the Port will ensure that the processes and procedures are documented properly. After having looked into the matter, he indicated that notes were taken on the events that took place; however, was not formally incorporated as part of the file. Moving forward, all notes will be formalized as document of record. The General Manager added that reassignments have been made to strengthen the capabilities of the Port procurement staff so as to avoid similar reoccurrence. The approach taken is having the procurement staff continue to attend training at GCC on the different types of procurement modules; procurement rotation at GSA to allow for exposure and hands-on in the procurement process; and working with the end-users to be comfortable and have knowledge with the processes and procedures of procurement from requisition to purchase order.

Without further discussion, Director Taitano made motion to accept and approve the Port Authority of Guam Fiscal Year 2017 Audit as presented, seconded by Director Taimanglo. Motion was unanimously approved.

2. **FY2018 Mid-Year Budget:** The DGMA presented proposed changes for the Mid-Year 2018 budget which include the following categories:

Category	Mid-Year Proposed	2018 Approved Budget	Change
General Expense	$1,345,000	$905,000	$440,000
Gantry Cranes	$50,000	-	$50,000
Facility Maintenance	$295,000	$135,000	$160,000
Sections/Divisions	$2,623,322	$1,964,900	$658,422
Vacant Position Listing	$114,160	$67,275	$46,885
CIPs	$17,059,030	$500,000	$16,559,030
Equipment	$49,000	-	$49,000
Total:	$21,535,512	$3,572,175	$17,963,337

After having provided the need before the Board on each category, Director Taitano made motion to approve the Mid-Year Proposed budget as presented, seconded by Director Taimanglo. Motion was unanimously approved.

3. **Conversion of Position – Planning Division:** The DGMA mentioned that the conversion of positions were indicated on the Mid-Year budget which has been approved by the Board. Being presented is additional information as to the need of the conversion. The Chairman made motion to approve the conversion of positions for the Planning Division which is from two Planning IV positions to two Planner II positions, seconded by Director Mendiola. Motion was unanimously approved.

At this time and without objections, management moved to item 5(c) for Board action.

5. **Budget Transfer Request:**

c. **Port Week 2018:** The Vice Chairman made motion to approve the amount of $17,500.00 for Port Week 2018 through the funding source of Marketing division under Other Contractual account. Motion was seconded by Director Taimanglo and was unanimously approved. Disbursement of funds will be handled by the Port Authority of Guam Goodwill and Morale Association (PAGGMA).

6. **Board Resolution No. 2018-01 Port Revenue Bonds:** The Chairman made motion to approve Resolution No. 2018-01 relative to determining to issue and sell port revenue bonds in an aggregate principal amount not to exceed $72,600,000.00 and approving and authorizing related documents, agreements and actions. Motion was seconded by Director Taitano and was unanimously approved.

7. **Board Resolution No. 2018-02 Working Capital Reserve Fund:** Director Mendiola made motion to approve Resolution No. 2018-02 relative to authorizing the Port Authority of Guam to establish a working capital reserve fund for operations and maintenance, seconded by Director Taitano. Motion was unanimously approved.

8. **Board Policy Memorandum No. 2018-01 Working Capital-Reserve for O&M:** Director Taitano made motion to approve Board Policy Memorandum No. 2018-01 relative to the working capital reserve for Operations and Maintenance, seconded by Director Taimanglo. Motion was unanimously approved.

At this time and without objections, management moved back to item 4 - **Reprogram of Funds** and items under **Budget Transfer Request** for Board action.

4. **Reprogram of Funds:** As earlier reported from the General Manager's report regarding MARAD increasing its federal obligation to $2,844,530.00 to cover the fourth Top Lifter, the DGMA stated that the funding source that were originally identified for the Port to acquire the fourth Top Lifter, request is being made to reprogram those funds for the gantry crane motor and barge lift project. Director Taimanglo made motion to reprogram the amount of $400,000.00 to be applied towards the accounts of Gantry Crane at $127,250.00 for purpose of crane motor acquisition and Barge Lift project at $272,750.00. Motion was seconded by Director Taitano and was unanimously approved.

5. **Budget Transfer Request:**

a. **Surface Diesel Fuel Tank:** (This item has been addressed in the Mid-Year Budget which have been approved by the Board.)

b. **Gantry Cranes:** The DGMA mentioned that management is looking to purchase additional crane motors for the gantry cranes. Crane motors are often exposed to extreme weather conditions as well as being subject to high operational requirements. Currently, "spare" crane motors are being used as a contingency to support the operation of the gantry cranes and because of its extended use there is concern of possible malfunctioning and failure that would inevitably impact the movement of cargoes. He said in order to avoid delays in cargo operations and as a proactive measure, the Port request Board approval to transfer funds to acquire new crane motors. Director Taimanglo made motion to transfer the sum of $204,750.00 from the Equipment account to Gantry Crane account and acquire new crane motors, seconded by Director Taitano. Motion was unanimously approved.

9. **Formulation of Board Committee:** Director Mendiola recalled that the history of the Port Board committees was formed. She suggested reinstating the existence of committees on the Board to allow for a more comprehensive oversight and meeting Board duties more effectively. Director Mendiola mentioned that no Board action is necessary at this time, and requested the Board to digest this recommendation for further discussion at the next Board meeting. Suggested committees include Human Resources, Finance, Morale and Welfare, so on and so forth. Director Taimanglo was curious as to what committees were in place before as this Board is a policy-making body. If the Board were to move forward with formulating committees, he expressed concern that the duties and responsibilities to be performed at that level would be the function of management. Director Mendiola clarified that the Board committees would not have oversight on the day-to-day operations, but more so on specific

issues, such as for instance bonds, strategic matters, right-sizing staffing. At this time, the members agreed to discuss this matter further at the next Board meeting.

10. **Travel Accommodations:**
    a. FEMA Security and Emergency Response Training Center: Leadership and Management in Surface Transportation, June 11-15, 2018, Pueblo, Colorado
    b. Incident Response to Terrorist Bombing, New Mexico Tech, June 25-28, 2018 and July 10-13, 2018, Socorro, New Mexico

Director Taimanglo made motion to approve the travel authorization request as presented or as otherwise designated by the General Manager, seconded by Director Taitano. The motion was unanimously approved.

VII. ADJOURNMENT

There being no further business to discuss, it was moved by Director Taitano and seconded by the Vice Chairman to adjourn the meeting at 1:05 p.m. The motion was unanimously passed.

MELANIE R. MENDIOLA, Board Secretary
Board of Directors

APPROVED BY:

FRANCISCO G. SANTOS, Chairman
Board of Directors

General Manager Report

To

PAG Board of Directors

May 30, 2018

General Port Operations

Port Bond Rating Meetings

On Tuesday, May 22, 2018, preparation meetings were held at the Citi Offices in San Francisco, California to review the Port Authority of Guam's Credit Presentations. Attending on behalf of the Port were Board Member Maria Taitano, GM, Deputy GM for Administration and Finance Alfred Duenas, Chief Planner Joe Javellana, Acting Financial Affairs Controller Joann Conway, Program Coordinator JoyJean Arceo, and Planner IV Donna Lizama-Acosta. Present on behalf of the Guam Economic Development Authority were Administrator Jay Rojas and Public Finance Assistant Manager Antoinette Leon Guerrero. Present on behalf of WSP was Principal Consultant Louis Wolinetz. Present on behalf of Senior Managing Underwriter Citigroup were Director Stephen Field, Managing Director George Leung, Citi Analyst Karen Kim and RBC Capital Market Managing Underwriter Greg Dawley.



PAG Team in conference with Bond Representatives on May 10, 2018 discussing the Review Rating Presentation prior to meeting with bond rating agencies in San Francisco, California.



Meeting at the Citi Offices on May 23, 2018 to review bond presentation. (L-R) Deputy GM for Administration and Finance Alfred Duenas, WSP Principal Consultant Louis Wolinetz, Citigroup Director Stephen Field, RBC Capital Market Managing Underwriter Greg Dawley, Board Member Maria Taitano and Chief Planner Joe Javellana.



(L-R) Program Coordinator JoyJean Arceo, Planner IV Donna Lizama-Acosta, Acting Financial Affairs Controller Joann Conway, Citi Analyst Karen Kim Bond Counsel for Orrick Herrington & Sutcliffe was Partner and Attorney John Wang.

The review, finalization, and practice presentations for the Port's Credit presentation continued the following morning on Wednesday, May 23, 2018 at the Citi Offices. That afternoon, the group reconvened at the Orrick Office to provide its first presentation to Moody's Representatives Senior Vice President Ken Kurtz and Vice President Katherine Heitmann.

Also attending this meeting on behalf of the Government of Guam was the Governor's Chief Fiscal Advisor Bernadette Artero, Acting Director for the Bureau of Budget and Management Research Lester Carlson, and Acting Director for the Department of Administration Edward Birn. Also present on behalf of Citigroup was Managing Director Tim Rattigan. Present on behalf of Bond Counsel for Orrick Herrington & Sutcliffe was Partner and Attorney John Wang.



First Presentation to Moody's Representatives at the Orrick Offices on Wednesday May 3, 2018.

The presentations began with an introduction of the Guam team that was provided by Director Stephen Field and then a presentation on the following agenda items by the following presenters: Economic Updates – GEDA Administrator Rojas and Public Finance Assistant Manager Leon Guerrero; Authority Overview – Port GM to include a presentation by Board Member Taitano on the leadership and role of the Board in overseeing the Port and its policy direction; Commercial Port Activity – Chief Planner Javellana; Carriers and Service Routes – Deputy GM Duenas; Port Financials - Acting Financial Affairs Controller Joann Conway; Summary of Indenture and Bond Security - Managing Director Tim Rattigan and Director Stephen Field; Bond Indenture Summary – Attorney Wang; Authority Reserve Funds for Maintenance Funds and Insurance – Managing Director Tim Rattigan and Director Stephen Field; Litigation and Other Updates – Attorney Wang; Capital Improvement Plan – Chief Planner Javellana; Sustainability Plan and

Additional Port Modernization Program Planner IV Lizama-Acosta; Summary of the Consulting Engineer's Report was provided by Principal Consultant Louis Wolinetz; Plan of Finance – Managing Director Tim Rattigan and Director Stephen Field; and the Summary – GM.

The group also responded to questions from Moody Represenatives during the presentation and question and answer section.



(L-R front row seated) Port GM Joanne Brown, Board Member Maria Taitano, Deputy GM for Administration and Finance Felixberto Alfred Duenas, and Bond Counsel Attorney John Wang, (L-R Second row standing) GEDA Public Finance Assistant Manager Antoinette Leon Guerrero, GEDA Administrator Jay Rojas, Chief Planner Joe Javellana, , Citigroup Director Stephen Field, Planner IV Donna Lizama-Acosta, Acting BBMR Director Lestor Carlson, Acting Financial Affairs Controller Joann Conway, , RBC Capital Market Managing Underwriter Greg Dawley, Program Coordinator JoyJean Arceo, Acting Director for the Department of Administration Edward Birn, WSP Principal Consultant Louis Wolinetz, Citi Managing Director Tim Rattigan, Governor's Chief Fiscal Advisor Bernadette Artero, and Citi Managing Director George Leung.

On Thursday, May 24, 2018, the Guam delegation went to the Offices of Standard and Poor's (S&P) to provide the Port's Credit Presentation to its Representatives Managing Director Kurt Forsgren, Director Paul Dyson, and Director Tim Tung. Governor Calvo was in attendance and provided his opening remarks related to the Port and the Guam economy overall. He discussed his confidence in the Port Board and management and went on to talk about the continuing growth of Guam's economy as a result of the now implemented military build-up on the island. He stated that over the next ten years, Guam will continue to experience military investments of

over $5 billion. He added that with all the intended growth in construction, all of the construction materials and military cargo will be moving through the Port of Guam. He also touched on the H-2B Visa issue and relayed that Guam has been provided with the potential of up to 4,000 workers for base and base related projects to include the Port. He noted that he has already signed a number of worker applications and then discussed the Civilian-Military Coordinating Council and the cooperative efforts between his office and the Commander for Joint Region Marianas Shoshana Chatfield to concur on critical construction projects related to the build-up.



Second Presentation with Standard and Poor's at the S&P Office on Thursday, May 24, 2018.



Governor Eddie Baza Calvo and Port Officials responding to questions from S&P Directors



L-R: GM Brown, Deputy GM Felixberto Duenas and Citigroup Director Stephen Field after the S&P Bond Presentation.

At the conclusion of Governor Calvo's presentation, the group then proceeded with its credit presentation in the same order as the previous day. The group also then responded to questions from S&P Representatives during the presentation and question and answer section.

After the conclusion of last week's meetings in San Francisco, the Port's consultants and Port management and staff are now in the process of responding to additional questions from the rating agencies to finalize their evaluations in the next couple of weeks. Once the ratings are provided for the Port bonds, then the next step will involve the marketing of the bonds which is anticipated to commence around the third week of July 2018. The location of the marketing campaign will also be determined once the rating results have been received.

Public Utilities Commission of Port's Revenue Bonds

On Thursday, April 26, 2018, Public Utilities Commission held a regular business meeting to discuss the Ports petition for the approval of the sale of the Port Revenue under PAG Docket 18-03, Petition for Approval of Issuance and Sale of Revenue Bonds, ALJ Report, and Proposed Order. Attending the meeting on behalf of the Board was Vice Chairman Oscar Calvo. Attending on behalf of Port Management was the GM and Deputy GM for Administration Alfred

Duenas. Also attending on behalf of CitiGroup was Senior Managing Underwriter Tim Rattigan and Director for Public Finance Stephen Field.



Port Officials attending PUC Hearing for the PUC's approval of the Port's Bond Petition.

Administrative Law Judge (ALJ) Joephet Alcantara provided a presentation on his review and recommendations on the Port's petition. He reported that that the Port had applied to the Commission for the approval of tax-exempt and taxable bonds not to exceed $72,600,000 that had been authorized by Public Law 34-70. ALJ Alcantara stated that the Port Authority Board of Directors had adopted Resolution No. 2018-01 on Thursday, April 19, 2018 and that the Guam Economic Development Authority had also adopted Resolution 18-002 on Thursday, April 12, 2018 to approve the Port's bond initiative.

After the presentation by ALJ Alcantara, the Commission asked two brief questions of the Port which were responded to by Deputy GM Duenas and GM Brown. The Commission then voted to approve the Port's petition for the Port to pursue long term debt and determined that the "issuance of the 2018 Bonds were just and reasonable . . ." All members present voted in favor of the petition except for Commissioner Joseph McDonald who requested to be excused as he had a conflict in relation to the legal firm that he works for involving a case with the Port Authority of Guam.

The Commission ordered that the Port bring any significant modifications or amendments affecting the terms and conditions of the 2018 Bonds and also authorized the Administrative Law

Judge to provide review and approval and determine that the General Indenture or First Supplemental Indenture does not contain any significant modification or amendments to the Exhibit A that had been provided to the Commission.

The Commission also ordered that the bonds may not exceed $72,600.000 and have a final maturity date of 2048 and not exceed 6.5%. In addition, the Commission also authorized the repayment of prior loans as required by law that meet that meet the present value of debt service on the bonds applied to refinance any or all of the prior loans in the aggregate that shall be at least two percent (2%) less than the present value of the debt service.

Guam Economic Development Public Hearing on Port Bond

On Wednesday, May 2, 2018, the Guam Economic Development Authority held a Public Hearing at its Office on the 5th floor of the ITC Building on the Port's Bond Petition. The hearing was required under Section 147(f) of the Internal Revenue Code of 1986, as amended, to allow all interested parties to hear and consider information concerning the Port's Bond Petition and the Port's proposed plan of financing with respect to revenue bonds in the principal amount not to exceed $72,600,000.

GEDA Administrator Jay Rojas facilitated the public hearing and outlined the information related to the Port's Petition and guidelines and procedures to provide testimony.

Chairman Frank Santos attend the hearing and on behalf of the Port Authority of Guam and provided testimony in favor of the Port's Bond Petition and discussed the importance of obtaining bond funding to address much needed repairs and upgrades to the Port's critical infrastructure.

Also attending the hearing on behalf of the Port was the GM, Deputy GM for Administration and Finance Alfred Duenas and a number of Port managers and staff that were there to support the Port bond financing initiative.

As there was no further testimony, Administrator Rojas concluded the hearing after Chairman Santos provided his statements.

Meeting and Tour of Port with MARAD Offcials

On Thursday, May 3, 2018, Maritime Administration (MARAD) Officials from Washington, D.C. visited the Port of Guam. Associate Administrator Ports & Waterways Lauren Brand, Office of the Secretary Representative Robert Mariner and Grant Management Supervisor David Bohnet met with Port management to include the GM, Deputy GM for Operations Felix Pangelinan, Deputy GM for Administration and Finance Alfred Duenas and Chief Planner Joe

Javellana. The focus of the meeting was to receive an update on the Port's plans to the finalize the NEPA application for H-Wharf and the final approval signatures for the Cooperative Agreement to address the repairs on the extended Yard and the procurement of four (4) additional Top Lifters that were to be funded with the remaining Enterprise Funds of $2.6 million and a Federal obligation increase to $2.8 million. The GM informed the MARAD officials that she had already signed the Cooperative Agreement on Friday April 20, 2018.

The GM then went on to provide an update on the status of the Port's efforts to procure a $72 million bond that will include the Port's share to the TIGER grant that was awarded to the Port in 2016. The GM stated that the Port will be going back to San Francisco in mid-May for Bond Ratings and then would be returning to the mainland to market the bonds in mid-July of 2018. She stated that if the bond sale is favorable, the Port will be able to begin the process to procure a contractor during the August-September 2018 timeframe.



Deputy GM for Operations Felix Pangelinan providing an overview presentation of the expanded Yard to MARAD Associate Administrator Ports & Waterways Lauren Brand.



L-R: Engineer III Iremar Gutierrez, DGMO Felix Pangelinan, Chief Planner Joe Javellana, Associate Administrator Ports & Waterways Lauren Brand, General Manager Joanne Brown, Engineer Manager Simeon Delos Santos, Office of the Secretary Representative Robert Mariner and Grant Management Supervisor David Bohnet.



DGMO Felix Pangelinan tours MARAD officials to H-Wharf. L-R: Grant Management Supervisor David Bohnet. Engineer III Iremar Gutierrez, DGMO Felix Pangelinan, Office of the Secretary Representative Robert Mariner.



DGMO Felix Pangelinan shares information on the yard repairs to MARAD representatives. L-R: Office of the Secretary Representative Robert Mariner, Grant Management Supervisor David Bohnet, DGMO Felix Pangelinan, Chief Planner Joe Javellana, Engineer III Iremar Gutierrez, Engineer Manager Simeon Delos Santos, and Associate Administrator Ports & Waterways Lauren Brand.

The group went on to discuss the needed Yard repairs and the process that also includes a "Buy America" provision with regards to the Yard repairs as well as with the procurement of the Top Lifters. The GM responded that the Port was appreciative of the increased level in Federal obligation from $2.6 million to $2.8 million due to the increase in market cost to procure the Top Lifters. Grant Management Supervisor Bohnet responded that MARAD will provide reimbursement to the Port as the project repairs are completed and documentation is determined to be in order.

Deputy GM Pangelinan, Chief Planner Javellana, and the GM then provided the MARAD officials with a tour of the Yard, to include stops and inspections of each of the Modernization Projects that was to be covered for repair as well as the H-Wharf project.

The MARAD Officials were also accompanied by Chairman Frank Santos and the GM to a meeting with Governor Calvo to discuss the Port projects to be covered by Department of Transportation/MARAD and the anticipated improvements to be funded the Port bond. Governor Calvo relayed that he would also be attending the Bond Rating meetings in San

Francisco and thanked the MARAD officials for their continued assistance to improve Port infrastructure and operations.



MARAD officials Associate Administrator Ports & Waterways Lauren Brand, Office of the Secretary Representative Robert Mariner and Grant Management Supervisor David Bohnet with Board Chairman Frank Santos and General Manager Joanne Brown visits with Governor Eddie Calvo in Adelup.



Notice to Proceed for MARAD Cooperative Agreement

On Friday, May 25, 2018, the GM received formal notification from MARAD's Sr. Grants/Agreements/Contracting Officer Judy Bowers that the Cooperative Agreement to commence the needed repairs for the expanded Yard and funding for the procurement of four (4) Top Lifters has been fully executed. The Port of Guam has now been provided with a "Notice to Proceed" with the respective projects. As reported to the Board during its April 19, 2018 meeting, MARAD had increased the federal obligation from $2.6 to $2.8 million to cover the cost of the Top Lifters.

Meeting with Office of Economic Adjustment

On Thursday, April 26, 2018 the GM met with Office of Economic Adjustment Western Regional Director Gary Kuwabara to provide him an update on Port projects since his previous visit on Thursday, February 22, 2018. The GM discussed the initiative of the Port with the authorization of the Port Board to fund the services of its Owner/Agents during this interim period as the Port was in the process of pursuing $72 million in bond funding. The GM relayed that as the previous OEA funding would be expended with the February 2018 billing from WSP, and that the Port had task WSP with additional work request to complete the Engineering Report, and also to respond to additional request for information and adjustments as recommended by bond consultants, the Port Board had authorized additional funding to cover these cost to meet the desired timelines to acquire bond funding. The GM also discussed, as Director Kuwabara acknowledged, the Port recent submittal for additional $900,000 grant funding to continue Port initiatives related to Program Management, Annual Tariff Verification, PUC Reports, CIP Bond Program Project Support Services, Facility and Equipment Maintenance Program Improvements and the STS Crane Replacement Program. Director Kuwabara responded that his agency would be evaluating the grant submittals upon his return.

The GM went on to discuss the proposed timeline schedules to include meeting with the rating agencies around mid-May with an anticipation to go to market by mid-June of 2018. The GM stated that the Port was scheduled that evening to go before the PUC for the Port's petition for the approval and sale of the Port's Revenue Bonds under PAG Docket 18-03. She also relayed that if the PUC grants favorable approval of the Port's petition, the Port will be able to move forward with the rating on its bonds and desired marketing by June of 2018.

The GM also informed Director Kuwabara that officials from MARAD would be on island on Thursday, May 3, 2018 to assess projects that will be funded under a Cooperative Agreement for repairs to the expanded Yard. She noted that MARAD had also increased its federal obligation from $2.6 million to $2.8 million to cover the estimated cost of four Top Lifters.

Director Kuwabara stated that he was pleased with the continued progress of the Port and relayed that OEA would be evaluating the Port's grant application and that a response should be provided by May of this year.

OEA Notification of Grant Award

As reported to the Board during its Thursday, April 19, 2018 Board Meeting, the Port had submitted a new grant application through the Office of the Governor of Guam for funding assistance from the Office of Economic Adjustment.

The grant amount requested under CFDA No.: 12.607 Community Economic Adjustment Assistance for Establishment, Expansion, Realignment, or Closure of a Military Installation is Nine Hundred Thousand Dollars ($900,000.00) with a proposed performance period to commence on Tuesday, May 1, 2018 and to conclude on Tuesday, December 31, 2019

On Wednesday, May 09, 2018, the GM received a notice from Director Kuwabara that the Office of Economic Adjustment had convened a Technical Review Committee (TRC) Meeting to evaluate the Port Authority of Guam Transition Sustainment Grant Application. He relayed that the "TRC endorsed and the OEA Director conditionally approved the Grant Application; subject to a few minor revisions." He noted that the revisions have been made by his office and that of Executive Assistant for the Guam Buildup Office Carol Perez and that the revisions have since been resubmitted for the final Grant Application. He anticipated that the Grant Application would be converted into a Grant Agreement within a week's time

Since 2008, the OEA has provided the Port of Guam a total of $7,619,500. This amount has now increased to $8,519,500.00 with the additional $900,000 grant award.

U.S. Coast Guard Sector Guam and Port Authority MOA on the Commercial Port Operations Indoctrination Program

On Thursday, May 10, 2018, the GM and United States Coast Guard Capt. Christopher Chase signed a Memorandum of Agreement to implement procedures for conducting a Commercial Port Operations Program. The purpose of the Agreement is to provide Sector Guam the opportunity to enhance its personnel familiarization with the maritime operations at the Port.

Under the Agreement the Coast Guard responsibilities include having their personnel report to the Harbor Master's Office or other identified area at Port facilities to gain greater awareness of Port operations to include vessel and container operations and other maritime related activities. The responsibilities of the Port include providing staff from the Operations Division, Harbor Master's Office and other Divisions as needed to assist Coast Guard personnel participating in

this program. The Port will also provide recommendations related to improvement of the program as needed.



General Manager Joanne Brown with Captain of the Port Christopher Chase signs document on the memorandum of understanding.

The Agreement will be renewed on an annual basis with the concurrence of the Coast Guard and the Port of Guam.

MOU Between the Port of Guam, Matson Navigation Company and Marianas Steamship Agency and ATOSSCOM

On Friday, May 11, 2018, the GM signed an MOU with Matson Navigation Company and Marianas Steamship Agency and the Association of Terminal Operators, Stevedoring and Shipping Companies of Micronesia (ATOSSCOM) for a Water Transportation Training Program. The scope of the Training included in the MOU is to provide on-the-job training in addition to curriculum instruction for the following subjects and operations:

Agency-Carrier	**Port Terminal and Stevedoring**
Customer Service	Operations-Transportation
Documentation	Operations-Stevedoring

Vessel Operations	Equipment Maintenance
Administration and Accounting	Administration-Tariff/Billing

The curriculum for the trainees under this program is to be developed by the MOU sponsors and will be scheduled for a four week cycle with an average of two (2) trainees, unless a request in made in advance for additional participants. The living accommodations and per diem for the trainees under the MOU will be provided by Matson with employee compensation to be provided by the respective employers.

The MOU will be in effect for one year and can be terminated by any of the parties with a thirty (30) day notice. The agreement was also signed by ATOSSCOM President Michael Demapan, Matson General Manager Bernadette Valencia and Marianas Steamship Agency Managing Director Rick Sablan.

Port Visit from 835th Transportation Commander

On Wednesday, May 9, 2018, the GM and Operations Manager John Santos met with the Commander for the 835th Transportation Battalion, Lieutenant Colonel Eldred Ramtahal stationed at Okinawa, Japan. He was also accompanied by Sergeant Major Terrell Brisentine and the Chief for the Surface Deployment and Distribution Command (SDDC) for Guam Pete Lujan.

The GM provided an overview of the recent Port expansions and the Port Modernization Project to include information on the Port's new equipment acquisitions to address the increasing movement of cargo, particularly with regards to breakbulk cargo. Lieutenant Colonel Ramtahal stated that the purpose of his visit was to familiarize himself with the Port's operations and its ability to move cargo. The GM relayed that in addition to the construction of the Port's expanded Yard, the Port has also increased its new equipment fleet to include Top Lifters, tractors and forklifts.

Operations Manager Santos then provided Lieutenant Colonel Ramtahal and Sergeant Major Brisentine a tour of the Port Yard.

Decrease in Container Cargo and Increase in Breakbulk Cargo for the Month March 2018

As of March 31, 2018, the Port handled 45,498 containers. This represents a 5% decrease or 2,514 containers compared to March 31, of 2017 when the Port handled 48,498 containers.

Containers for March 2018 were divided into the following categories:

Import/Export	-10%
Stuffed Transshipment	50%
Empty Transshipments	60%

As for March of 2018 Breakbulk numbers, the Port handled 81,150 revenue tons which represented an increase of 2,744 revenue tons or an increase of 3% from March of 2017 when the Port handled 78,406 revenue tons.

The Cargo Throughput Revenues for March of 2018 was $22,428,547 in comparison to March of 2017 which was $20,428,547. This represents an increase of $2,141,939 or a 10% increase for the first six months of FY 2018.

PUGG Meeting for APRIL 2018

The PUGG Meeting for the Month of April was held on Thursday, April 19, 2018. Attending on behalf of the Port were the GM, Deputy GM for Operations Felix Pangelinan, Operations Manager John Santos, Terminal Superintendent Joe Ulloa, Equipment Maintenance Superintendent Jorge Javelosa, Assistant Operations Manager Christopher Reyes Safety Inspector III Paul Salas, Environmental Compliance Specialist Paul Santos and, Commercial Specialist I Ryan Arriola.

Present on behalf of the PUGG were Ambyth Representative Greg David, APL Representative Ray Harley, Norton Lilly Representative Emy Reyes, Matson Representative Bernie Valencia, MSA Representative Byron Valera, and MELL/CTSI Representative Annie Nonesa.

Attending on behalf of Guam Customs and Quaratine was Captain of the Maritime Section Franklin Taitague.

Operations Manager Santos began the meeting by providing an update on the status of the Port's Yard equipment to include the cranes. He stated that Gantry's No. 5 and No. 6 went down for a period of time, were repaired, and are now back in full operation. He added that in some cases ship's gear were used to move cargo during the down time of the Port's cranes. He stated that the Port Board had approved funding to procure four (4) hoist motors for the cranes and that the Port also anticipated funding for four (4) additional Top Lifters from MARAD out of the remaining Enterprise Funds from the Port's Modernization Program funded by the $50 million from Department of Defense.

Operations Manager Santos went on to talk about the movement of breakbulk cargo and the ongoing coordination for related operations out of F-3 Wharf. He also discussed the issue of

responding to leaking containers that have included paint, cleaning material and hydraulic oil. He also elaborated on the procedures that are in place to report such incidences to the Port Safety Division and the U.S. Coast Guard. He stated that if a spill exceeds a gallon, it must also be reported to the National Response Center due to potential threats to the waterways and water quality. Matson Representative Valencia inquired as to what procedures can be put in place if a container is identified to be leaking non-hazardous material such as dishwashing liquid? Operations Manager Santos responded that the container can be placed on top of a tarp to reduce spillage in the Yard, identify and contain the source of the leak and move the container away from the waterfront. He added that Customs and Quaratine needs to be present when a container is opened due to the breaking of the seal if there is a need to de-van a container. He added that the Safety Division will provide a location for such remediation activity to take place.



PUGG Meeting (L-R) MSA Representative Byron Valera, Ambyth Representative Greg David, Norton Lilly Representative Emy Reyes, Deputy GM for Operations Felix Pangelinan, Customs Captain of the Maritime Section Franklin Taitague Matson Representative Bernie Valencia, APL Representative Ray Harley, and Operations Manager John Santos.

Operations Manager Santos went on to discuss the procedures for military personnel that are assigned to pick up military cargo and do not possess a TWIC card. He stated that as the Port is

a TWIC facility, must be escorted when they enter and are in the Port Yard on a one-to-one ratio. This is also the case with regards to equipment in which the military personnel must also be accompanied during their duration in the Port Yard.

Deputy GM responded to a statement that he had heard with regards to the Port's use of ship's gears in the event of mechanical failure with the Port's Gantry Cranes. He stated that there is no "catering to favorite agents" and that the Port will use the resources that are at hand to move cargo in as timely a manner as possible and keep the operations moving. This also includes the use of Port tractors and forklifts.

Matson Representative Valencia relayed that her company is shifting ships around and stated that her vessel would be late next week due to fog issues in Shanghai. Operations Manager Santos responded that the Port still has to address the 24 hour notice requirements as well as the two week schedule notices. He stated that it was critical to get the information to the Port as soon as possible if there were any schedule changes with the carriers. Deputy GM Pangelinan followed by stating that there are no guarantees for the use of the Port's gantries as the use of the cranes is determined by the schedule. If changes occur and the gantries are available then accommodations can be made but are not guaranteed.

Ambyth Representative David inquired as to what steps the Port has taken to address repairs for the Yard equipment? Deputy GM Pangelinan responded that in addition to the new equipment that was procured by the Port, the older equipment is being refurbished by the Port's Maintenance Division. To date, one Top Lifter has been fully refurbished and another one is 80% complete. , Equipment Maintenance Superintendent Javelosa added that there have also been eight (8) tractors that have since been fully refurbished and returned back to operations.

Operations Manager Santos also discussed the anticipated signing of an MOU with Matson Navigation Company and Marianas Steamship Agency and the Association of Terminal Operators, Stevedoring and Shipping Companies of Micronesia (ATOSSCOM) for a Water Transportation Training Program. The scope of the Training to be covered by the MOU is to provide on-the-job training and curriculum instruction for two (2) trainees for a four week cycle. He anticipated the agreement to be signed within the next several weeks. Operations Manager Santos also discussed the need to address a phasing plan for the upcoming pavement repair and trench drain replacement. He stated that he would discuss these matters further once construction is scheduled.

The GM also provided an update with regard to the Port's bond initiative and relayed that the Port would be meeting with the bond rating agencies in mid-May in San Francisco, California. Once the ratings have been determined the Port would begin marketing the bonds by mid-June. The GM added that if the Port is fortunate to close on the bonds, the Port will be able to begin

the processes of bidding out most of the Port projects before the end of the year to commence construction and repairs to Port facilities.

As there were no further matters to discuss, the meeting was adjourned.

PUGG Meeting for May 2018

The PUGG Meeting for the Month of May was held on Thursday, May 17, 2018. Attending on behalf of the Port were Deputy GM for Operations Felix Pangelinan, Assistant Operations Manager Christopher Reyes, Stevedore Superintendent Simon Pinaula, and Terminal Superintendent Joe Ulloa.

Attending on behalf of the PUGG were MELL Representative ED Cruz, Matson Representative Tom Dillon, and APL Representative John Selleck.

Attending on behalf of Guam Customs and Quaratine was Captain of the Maritime Section Franklin Taitague.

Present on behalf of the U.S. Coast Guard was LCDR Christy Casey.

Deputy GM Pangelinan opened the meeting and then turned over the first presentation to Assistant Operations Manager Reyes to provide the group operational updates related to equipment and manpower status. Assistant Operations Manager Reyes reported that all cargo handling equipment was operational to include the Gantry Cranes, Top Lifters, tractors and forklifts. He added that the Terminal Division is currently fully manned, however, in the Transportation Division, he stated that there were still several Equipment Operator II, three (3) Equipment Operator III, and one (1) Crane Operator positions that were vacant to include casual positions in the Stevedoring Division. Assistant Operations Manager Reyes went on to mention that the Port was trying its best to fill the vacancies as fast as possible, but noted that it takes some time between the application process, interviews and evaluations before selection and asked the PUGG for their patience.

Deputy GM Pangelinan then provided the group with an update on the status of the Port's Bond initiative and relayed that the Port Bond team would be in San Francisco next week to have the Port's bonds rated. He then stated that It was the Port's hope to be able to go to market in June for the sale of the bonds and have the money in the Port's accounts by July or August at the latest. Once this next critical step is completed then the Port would be able to announce its bids for the construction of the bond related projects.

MELL Representative Ed Cruz provided "Kudos" to the Port Operations Division for an outstanding operation his last vessel. He stated that the Port moved 25 containers per hour.

Matson Representative Dillon reported that during the MAC meeting earlier in the day, it was reported that the Port had given the Department of Agriculture an area in the Port for their invasive species inspections. Deputy GM Pangelinan inquired as to whom provided the information to which Representative Dillion responded that he did not recall who provided the information. Deputy GM Pangelinan mentioned that the Port is considering to provide two (2) acres of Port property to Customs and Quarantine across from the TESS facility to construct an inspection warehouse. He noted that Senator Tom Ada had previously introduced a bill to designate Port property for the use of Customs. He added that it is the Port's desire that the two agencies need to ensure that when a facility is built on this property that the needs of both the Port and Customs are meet regarding inspections.

Stevedore Superintendent Pinaula mentioned that during APL's last operation, there was a report that soil was found on one of the discharged containers which caused a delay in operations. Deputy GM Pangelinan responded that it was the shipper's responsibility to advise their Captains to ensure that cargos being loaded onto their ships are clean to avoid these types of incidents.

CMDR Casey reported to the group that the Port, U.S. Coast Guard and Guam Customs and Quarantine had signed a MOU with regards to container and cargo inspections in the Port's Yard. She also relayed that the Port and Coast Guard had signed another MOU for Coast Guard personnel to work closely with Port Control and Compliance, and Operations and Maintenance Divisions personnel to work towards a better working relationship to ensure compliance with the Code of Federal Regulations (CFR) that govern the port.

As there were no further matters to discuss, the meeting was adjourned.

Refurbishment Status of Port Yard Equipment

On Tuesday, May 29, 2018, Maintenance Manager Ernie Candoleta provided the GM and update on the refurbishment Status of Port Yard Equipment. He reported that there are a total of thirteen (13) Tractors that are in need refurbishment. He noted that nine (9) have since been completed to include T- 76, 83, 84, 85, 86, 89, 90, 91, 92 and two (2) tractors, T-81 and T-87 are currently in the shop being worked on by the Port's Maintenance staff. Tractors, T-77 and T-79 are the remaining tractors to be fully refurbished.

As for the Top Lifters, TL No. 6 has been fully refurbished and TL No. 4 has recently had corrosion control on its body completed. The Fleet Mechanics are currently replacing out the hydraulic hoses, lights, tires etc. TL No. 3 is pending refurbishment. TL No. 5 was previously decommissioned.

Relay for Life

On May 25, 2018, the Port participated in the Relay for Life event that was held at the George Washington Field. The Port was designated this year by the Governor's Office to assist in coordinating this year's event with the other Government of Guam Departments and Agencies and held weekly meetings to coordinate participation for the event. Since April of this year, Administrative Assistant Betty Ann Wusstig-Perez and Program Coordinator Frank Santos Jr. spearheaded the coordinating committee and activities to include T-shirt sells that totaled 959 shirts sold for the event. Administrative Assistant Perez's husband Frank Perez, a recognized local artist provided the artwork for the T-shirts that were very popular as there are still request to purchase more shirts after the event! The Port employees actively participated and purchased 186 shirts and attended the opening event ceremonies as well as walked during the Port's designated period from 11:00 p.m. to 12:00 a.m. The Port also raised a total of $5,698.00 from two events sponsored by PAGMMA at Club Las Vegas on Friday, March 9, 2018 and at King B on Friday, May 18, 2018 to include T-shirt sales. This exceeded the Port's contribution last year of $3,600.00!

Port Softball Team Undefeated Champions in 2018



L-R: Assistant Operations Manager Chris Reyes, Preventive Maintenance John Quintanilla, Stevedore Arthur Naputi, DGMA Alfred Duenas, General Manager Joanne Brown, Tariff Supervisor Jennifer Leon Guerrero, Crane Operator Ronnie Sablan, Preventive Maintenance Justin Candoleta, Preventive Maintenance James Cruz, Accounting Technician II Estefanie Cordero, Stevedore Florencio Binuya, and Operations Manager John Santos.

On Wednesday, April 25, 2018, the GM presented certificates to the Port's Softball Team that scored an undefeated victory with nine (9) wins and Zero (0) losses for the season! Also part of the Port Team were four (4) members for DOE and two (2) Matson employees

Proclamation for Click It or Ticket

On Friday, May 4, 2018, the GM attended a Proclamation Signing Ceremony in recognition of the Click It or Ticket Campaign administered by the Department of Public Works' Office of Highway Safety to encourage more residents to use seat belts and save lives on Guam's roadways. Lt. Governor Ray Tenorio presided over the signing event proclaiming May 14, 2018 to June 3, 2018 as Click It or Ticket and encouraged all island residents to use their seat belts 100% of the time. In addition, Operation S.C.O.P.E which represents Seat belts, Child restraints, Occupant Protection Enforcement is also an important component of the enforcement program. Guam now has a seat belt usage of 90.96% partially credited to enforcement of the seatbelt law. The Port Authority Police are active participants over the past four years in this program and were recognized along with their fellow enforcement officers at the ceremony.



Click It or Ticket Proclamation Signing at Adelup.

Port Safety Issues

Property Damage – Tractor No. 90
Case No. 19-18

On Friday, May 18, 2018, the GM received a report dated Tuesday, March 6, 2018, from Safety Administrator Vince Acfalle concerning damage to Tractor No. 90. According to Safety Administrator Acfalle, Environmental Specialist Paul Santos had received a call from Transportations Supervisor Joe Leon Guerrero reporting property damage at Area S. Casual Equipment Operator II Alfred Manibusian reported that he was reversing his tractor into Slot 49 to park a container when the airline hose popped out of its brass fittings that was connected to the glad hand of Tractor No. 90. He then immediately notified Transportation Leader Patrick Claros of the incident.

Port Police Officer II Marie Cabrera and Environmental Specialist Santos responded to the incident.

Safety Administrator Acfalle determined in his findings that Equipment Mechanic II reported that the air-line hose popped out of its brass fittings due to wear and tear and that the glad handle did not have its grab handle installed which is needed to prevent stress on the glad hand when disconnecting the air hose.

Safety Administrator Acfalle concluded that the cause of this incident was due to wear and tear of the hose connected to the glad hand and the grab handle not being installed. He recommended that this incident be forwarded to the Accident Review Board for its review and to provide recommendations to the General Manager for appropriate action.

Hydraulic Oil Leak – Gantry No. 5
Case No. 20-18

On Friday, May 18, 2018, the GM received a report from Safety Administrator Vince Acfalle dated March 7, 2018 concerning a hydraulic oil leak on Gantry No. 5. Environmental Compliance Specialist Paul Santos was monitoring Gantry No. 4 when he received a call from Crane Mechanic Benbert Belmes informing him of a busted hydraulic hose on the Gantry No. 5 spreader. Environmental Specialist Santos then notified Transportation Supervisor Joe Leon Guerrero of the hydraulic leak and then dispatched spill response equipment and material.

Port Police Officer Angela Cabrera responded to this incident.

Environmental Specialist Santos reported that the National Response Center was notified and Report No. 1206094 was issued. He also reported that absorbent sand and pads were used to clean up the spill and that the U.S. Coast Guard was also notified of the incident.

Safety Administrator Acfalle concluded in his findings that the cause of the ruptured hose could not be determined at the time of the incident and was awaiting an inspection and report from the crane mechanics. He then recommended that this matter be forwarded to the Accident Review Board for their review and to then forward their recommendations to the General Manager for appropriate action.

Damaged Property – Tractor 102
Case No. 21-18

On Friday, May 18, 2018 the GM received a report dated March 21, 2018 from According to Safety Administrator Acfalle, Safety Inspector II Robert Lau had received a call from Transportation Dispatcher Antonio Francisco reporting damaged property as a result of an inspection that was conducted by Crane Leader Eric Balajadia prior to his operation of Tractor No. 102.

Safety Administrator Acfalle determined in his findings that Equipment Operator II Lester Van Meter was the last employee to operate Tractor No. 102 who had parked the tractor on the north side of the CFS Building at the end of his shift. Equipment Operator Van Meter checklist dated Tuesday, March 20, 2018 had indicated that the left mud guard had scratch marks and the bracket was bent.

Safety Administrator Acfalle reported upon further investigation that Equipment Operator II Van Meter had not reported the damage to Dispatcher Alfredo Bordallo until an hour after he started operating the tractor. Safety Administrator Acfalle could not determine in his investigation who caused damage to the tractor.

Safety Administrator Acfalle recommended that this incident be forwarded to the Accident Review Board for its review and to provide recommendation to the General Manager for appropriate action.

Work Injury
Case No. 22-18

On Friday, May 18, 2018, the GM received a report dated March 27, 2018 from Safety Administrator Vince Acfalle concerning an incident involving Crane Operator Peter Lorenzo. According to Safety Administrator Acfalle, Safety
Inspector III Paul Salas had received a call from Transportation Leader Anthony Concepcion reporting that Crane Operator Lorenzo and Crane Operator Greg Babauta had been assigned to clean the Wash Rack Station. Upon the completion of their operation, Crane Operator Babauta and Crane Operator Lorenzo were installing the pit cover back into the pit when Crane Operator Lorenzo caught his left hand middle finger between the edge of the pit and the pit's metal cover.

Safety Administrator Acfalle stated that a WCC 101 a and b was issued to Crane Operator Lorenzo and he was then transported to the Guam Memorial Hospital for medical attention. Safety Administrator Acfalle also stated that WCC Forms 201 and 202 were issued to Transportation Supervisor Frank Cruz.

Port Police Officer II Eric Salas and Safety Inspector III Paul Salas responded to this incident.

Safety Administrator Acfalle determined in his findings that the pit cover was approximately 100 lbs. in weight. He stated that a pry bar should have been used to adjust the pit cover and that there were proper procedures to move or adjust the pit cover that, if done properly, could be a one man operation.

Safety Administrator Acfalle concluded in his findings that contributing factors to the incident was the employees were unfamiliar with the process to remove and install the pit cover. He recommended that this incident be forwarded to the Accident Review Board for its review and to provide recommendation to the General Manager for Appropriate action.

Damaged Property – 10-Ton Forklift No. 17-174
Case No. 23-18

On Friday, May 18, 2018, the GM received a report dated Tuesday, March 29, 2018 from Safety Administrator Vince Acfalle concerning damage to a forklift. According to Safety Administrator Acfalle, Safety Inspector III Paul Salas had received a call from Transportation Leader Anthony Concepcion reporting damage to 10-Ton Forklift No. 17-174 that was being operated by Equipment Operator II Ignacio Benavente who had been assigned to the Vessel Kyowa Orchid at F-4 Wharf. Equipment Operator II Benavente was tasked to relocate discharged pipes from dockside to the staging area at the former Warehouse II concrete pad. Crane Operator Frank Mendiola served as his signal man and noticed that when Equipment Operator II Benavente was

in the process of lifting his first break bulk load of metal pipes, he noticed that the front left tire was damaged and had low air pressure. Equipment Operator II Benavente then contacted Transportation Leader Concepcion to report the damage.

Port Police Officer II Jonathan Aguon and Safety Inspector III Paul Salas responded to this incident.

Safety Administrator Acfalle determined in his findings that Equipment Operator II Benavente did not record any damage in his trip ticket for Forklift No. 17-174. He also noted that the equipment had been driven by Equipment Operator Benavente since Equipment Operator II Sandy Duenas had last driven the forklift on Thursday, March 8, 2018. Safety Administrator Acfalle also reported in his findings that there was a 2-inch tear on the side wall of the tires that caused it to deflate.

Safety Administrator Acfalle concluded that the cause of the damage was unknown but stated that Equipment Operator II Benavente was the only operator on Thursday, March 29, 2018 who operated the forklift.

He recommended that this incident be forwarded to the Accident Review Board for its review and to provide recommendations to the General Manager for appropriate action.

FEDERAL GRANT/LOANS & LOCAL FUNDING PROGRAMS
FY2018 Port Modernization Plan
Grant Strategy - Monthly Update

May 29, 2018

Summary Sheet of Funding/Financing

Port Modernization	Approved Amount	Expenditures	Remaining Balance	NOTES
Modernization	$ 59,880,000.00	$ 47,216,304.87	$ 12,663,695.13	$48.5M Port Enterprise Fund / $10M US DOT TIGER GRANT H-Wharf
Security	$ 1,841,655.00	$ 91,816.36	$ 1,749,838.64	
Marinas	$ 595,703.00	$ 10,211.00	$ 585,492.00	Boating Infrastructure Grants
Port Police	$ 14,500.00	$ 3,434.52	$ 11,065.48	Section 402 Highway Safety Funds
Grand Totals:	**$ 62,331,858.00**	**$ 47,321,766.75**	**$ 15,010,091.25**	

Applications Pending	Requested Amount			NOTES
OAE Support Services	$ 900,000.00			Office of Economic Adjustment
Port Police	$ 20,000.00			DPW Office of Highway Safety
Grand Totals:	**$ 920,000.00**			

PORT AUTHORITY OF GUAM - FEDERAL GRANT FUNDING PROGRAMS
Tuesday, May 29, 2018

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:
FY2010-01	Port Enterprise Fund	Guam Commercial Port Improvement Program	DoD to DOT Maritime Administration Agency (MARAD)	09/22/10	94.5%	9/22/2010 - 9/22/2015	$ 48,500,000.00	$ 45,840,578.39	$ 2,659,421.61	As of April 7, 2017, remaining balance is to be dedicated to the procurement of additional yard equipment
FY2015-02	GR0706-15-21	Owner's Agent Engineer Support Services	Office of Economic Adjustment (OEA) DoD		99.7%	01/01/2015 - 12/31/2016 *Extension approved 12/31/2017 *Extension approved 12/31/2018	$ 1,380,000.00	$ 1,375,726.48	$ 4,273.52	Grant performance period end date is now 12/31/2018.
FY2016-01	DTMA91G1600007	Rehabilitation of "H" Wharf	US DOT		0.0%	7/29/2016	$ 10,000,000.00	$ -	$ 10,000,000.00	PAG concurrently working to address bond financing. Draft grant agreement under review.
		GRAND TOTAL GRANTS FOR MODERNIZATION:			64.7%		**$ 59,880,000.00**	**$ 47,216,304.87**	**$ 12,663,695.13**	

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:
FY2015-01	EMW-2015-PU-00261	Maintenance and Sustainment Contract for the Port Command Center Port-Wide CCTV and Access Control Systems	FEMA Port Security Grant Program	30-Sep-15	9.1%	09/01/2015 - 08/31/2018	$ 178,070.00	$ 16,187.36	$ 161,882.64	Camera relocation scope has been completed. Will work with procurement in its processing.
FY2015-02	EMW-2015-PU-00261	Upgrade and Refurbishment of Existing Damaged Security Light Poles and Fixtures at Strategic Port Locations	FEMA Port Security Grant Program	30-Sep-15	0.0%	09/01/2015 - 08/31/2018	$ 317,827.00	$ -	$ 317,827.00	NTP for flood lights at Warehouse 1 and Cabras Marine buliding have been issued. Contractor currently waiting on light fixtures arrival.
FY2015-01	FEMA Hazard Mitigation Assistance Grant Program	PAG Warehouse 1 Hardening Project	FEMA Hazard Mitigation Program	Waiting on USDHS/FEMA grant award documents	100.0%	08/25/2016 - 03/31/2018	$ 75,629.00	$ 75,629.00	$	Completed. Final site inspection with Guam Homeland Security Hazard Mitigation Coordinator completed. Final report submitted.
FY2016-01	EMW-2016-PU-00523-S01	Acquisition & Installation of Additional Cameras at Strategic Port Facilities.	FEMA Port Security Grant Program	Waiting on USDHS/FEMA grant award documents	0.0%		$ 174,644.00	$ -	$ 174,644.00	Specifications have been received; will work with Procurement and Port Police to package the IFB.
FY2016-02	EMW-2016-PU-00523-S01	Upgrade & Refurbishment of Existing Damaged Security Light Poles at Strategic Port Locations	FEMA Port Security Grant Program	Waiting on USDHS/FEMA grant award documents	0.0%		$ 475,216.00	$ -	$ 475,216.00	IFB No.PAG-CIP-018-004 - Design Build to Supply and Install 4 ea. 40Ft. Galvanized Steel Poles with LED Lightings and 12 ea. Aluminum Poles with LED Solar Lightings was published during the week of May 20, 2018.
FY2017-01	EMW-2017-PU-00177-S01	Refurbishment and Hardening of Load Center Buildings Housing Prime Power Generators	FEMA Port Security Grant Program	Awarded on Sept 1, 2017	0.0%		$ 384,469.00	$ -	$ 384,469.00	SOW being finalized by Engineering Division.
FY2017-02	EMW-2017-PU-00177-S01	Maintenance and Sustainment Contract for Prime Power Generators	FEMA Port Security Grant Program	Awarded on Sept 1, 2017	0.0%		$ 179,550.00		$ 179,550.00	Currently in negotiations with Hawthorne to come up with the final cost for the 3 - year maintenance agreement.
FY2017-03	EMW-2017-PU-00177-S01	US Coast Guard Multi Agency National Association of State Boating Law Administrators (NASBLA) Training for Port Police	FEMA Port Security Grant Program	Awarded on Sept 1, 2017	0.0%		$ 56,250.00	$ -	$ 56,250.00	Status Quo - Port Police currently working with NASBLA on the details and delivery of the training.
		GRAND TOTAL FOR SECURITY:			1.5%		**$ 1,841,655.00**	**$ 91,816.36**	**$ 1,749,838.64**	

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:
FY2014-03	F14AP00191	Renovation of the Guam Harbor of Refuge Phase 2 - A/E Design, Repairs to Mooring, Acquisition of Pump out System & Shelter/Housing	DOI/F&WS/Dept. of Ag/DAWR	Pending Approval of Revised MOU	0.0%	10/26/2013 - 9/30/2018	$ 86,181.00	$ -	$ 86,181.00	Supplemental Site Assessment was approved by DofAg. $14,931.00 Applied to Indirect Cost as indicated on Work Request. PAG to proceed with procurement process for the construction of Pump Out Facility. SOW completed. DofAg to develop revised MOU. PAG Legal Counsel completed review of MOU, advised DofAg to finalize for agency signature(s). Pending revised MOU from DofAg. MOU signed by DoAg, PAG and BBMR. Pending AG and Governor's review/approval.
FY2016-01	F16AP00261	Harbor of Refuge Moorage Repairs - Phase 3	DOI/F&WS/Dept. of Ag/DAWR	Pending Approval of Revised MOU	0.0%	11/1/2015 - 9/30/2018	$ 200,000.00	$ -	$ 200,000.00	MOU signed by DoAg, PAG and BBMR. Pending AG and Governor's review/approval.
FY2017-01	F17AP00485	Harbor of Refuge Moorage Repairs - Phase 4	DOI/F&WS/Dept. of Ag/DAWR	Pending Approval of MOU		10/1/2017 - 9/30/2018	$ 200,000.00	$ -	$ 200,000.00	MOU signed by DoAg, PAG and BBMR. Pending AG and Governor's review/approval.
FY2016-02	F16AF00566	Agat Marina Demolition of Dock B	DOI/F&WS/Dept. of Ag/DAWR	11/17/16	0.0%	6/1/2016 - 9/30/2018	$ 109,522.00	$ 10,211.00	$ 99,311.00	$10,211.00 Applied to Indirect Cost, Salary, Benefits and Supplies as indicated on Work Request. Bid awarded to Canton Construction Corporation.
		GRAND TOTAL FOR MARINAS:			0.0%		$ 595,703.00	$ 10,211.00	$ 585,492.00	

IV. PORT POLICE HIGHWAY SAFETY

ITEM	GRANT #	PROJECT NAME	Federal or Local Agency	Authorization to Proceed	% Completed	Award Date / End Date	Award Amount	Draw Down Submitted	Remaining Balance	STATUS:
FY2018-01	18X9204029GU18	Port Police - Section 402 Highway Safety Funds - Operation A'dai He Hão (Watch Out!)	Department of Public Works/Office of Highway Safety	ATP Approved for Lifesavers Conference & Travel	23.7%	10/1/2017 - 9/30/2018	$ 14,500.00	$ 3,434.52	$ 11,065.48	Pending Authorization to Proceed for Speed Enforcement.
		GRAND TOTAL FOR HIGHWAY SAFETY:			24%		$ 14,500.00	$ 3,434.52	$ 11,065.48	

V. OTHER - POTENTIAL FUTURE GRANTS

ITEM	POTENTIAL FUTURE GRANTS	PROJECT NAME	Federal or Local Agency	COMMENTS			PAG Estimated Cost Share/Matching	Federal Cost Share	Total Amount	STATUS:
FY2018-01	Submitted through the Office of the Governor for funding assistance from the Office of Economic Adjustment						$ -	$ 900,000.00	$ 900,000.00	Submitted to the Office of the Governor on April 3, 2018. Subject to review and approval.
FY2019-01	Submitted to DPW OHS	Port Police - Section 402 Highway Safety Funds - Operation A'dai He Hão (Watch Out!)	Department of Public Works/Office of Highway Safety				$ -	$ 20,000.00	$ 20,000.00	Submitted to Department of Public Works Office of Highway Safety on April 13, 2018. Subject for review and approval.
		Potential Future Grants:					$ -	$ 920,000.00	$ 920,000.00	

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

FINANCE-YTD- March 2018

Financial Highlights

Income Statement

Balance Sheet

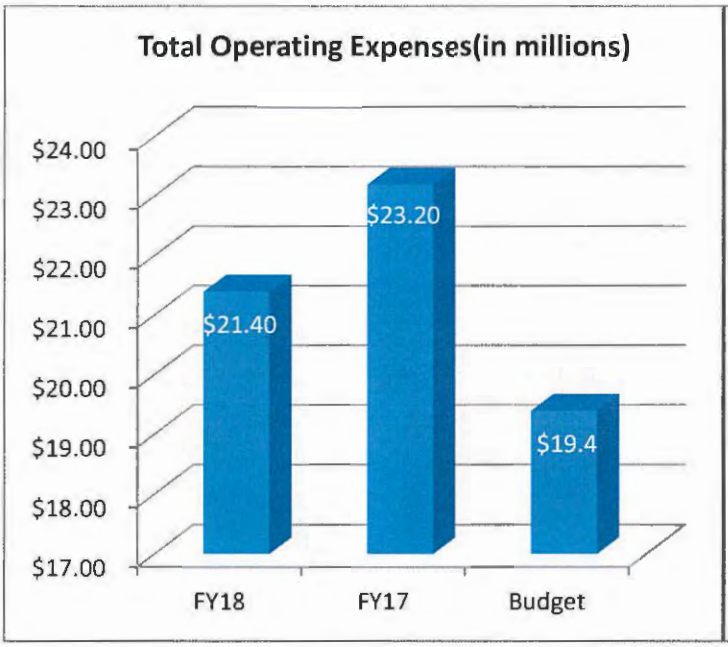
Accounts Receivable Aging Summary Report

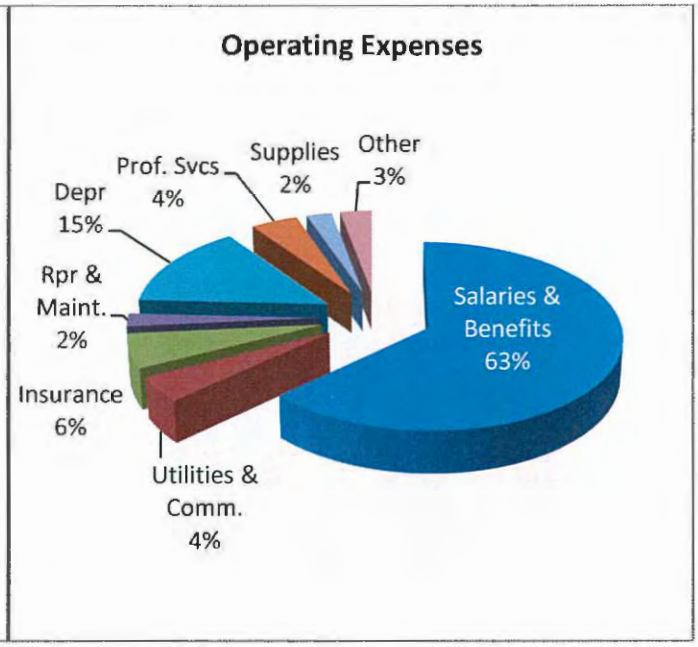
Accounts Payable Summary

Budget Lift/Transfer Monthly Activities

Crane Surcharge Ledger

Facility Maintenance Ledger





Total Operating Expenses as of March 2018 was $21.4 million, which is 8% lower than Budget ($23.2 mil) and 6% higher than last year's total operating expenses ($20.2 mil).

Total Overtime as of March 2018 was $946 thousand which is 10% higher than last year March ($862 thousand). Direct Labor Revenue as of March was $1.9 million, which is 23% higher than last year and 20% 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 FY18 and FY17 as of March:

Section	FY18	FY17	Budget 2nd Qtr	OT Revenue
Harbor Master	2,873	3,706	3,000	0
Port Police	134,678	147,314	100,000	55,177
Safety	10,496	3,113	3,500	0
Stevedore-Cargo Handling	126,077	146,780	95,000	169,907
-Rigger	1,462	213	10,000	3,763
Terminal	140,030	122,688	100,000	109,781
Transportation-Superintendent	46,608	31,642	27,000	0
-Crane Operator	82,490	70,156	52,500	30,162
-Equipt Operator	209,627	147,428	130,500	125,590
-Dispatcher	14,874	20,791	15,000	0
Maint.-Crane Maint.	58,707	50,645	57,500	0
-Preventive Maint.	21,217	18,474	32,500	82
-Fleet Maint.	0	11,660	12,500	0
-Welders	30,515	27,661	22,500	416
Facility Maint.-Building	7,011	9,096	7,500	780
-Janitorial	2,597	1,425	2,500	0
-Elect./Refr.	41,306	17,034	20,000	0
Finance	13,401	17,375	20,000	61
Human Resources	770	3,882	0	0
Engineering	0	1,063	2,500	0
Procurement	72	1,386	1,250	0
Information Technology	1,471	9,154	2,500	0
TOTAL	946,282	862,686	717,750	495,719

Port Authority of Guam
Income Statement
With Budget Comparison (Unaudited)
6 Months Ending 033118

Current Month Actual	%	Last Year Actual	%	Budget	% Chng		Year to Date Actual	%	Last Year to Date Actual	%	% Chng	Budget	% Chng
						OPERATING REVENUES							
						CARGO THROUGHPUT REVENUES							
1,631,070	35.7%	1,417,693	32.9%	1,492,854	0.09	CT- CHASSIS	9,150,632	33.6%	7,821,082	32.2%	17.0%	8,957,124	0.02
190,627	4.2%	169,219	3.9%	241,790	(0.21)	CT-GROUND	1,132,372	4.2%	1,396,031	5.7%	-18.9%	1,450,740	(0.22)
42,581	0.9%	43,333	1.0%	66,066	(0.36)	CT-BREAKBULK	620,372	2.3%	433,822	1.8%	43.0%	396,396	0.57
1,281	0.0%	339	0.0%	404	2.17	CT-UNITIZED	8,152	0.0%	1,463	0.0%	457.3%	2,424	2.36
	0.0%				-	CT-TUNA		0.0%		0.0%	0.0%		-
37,431	0.8%	92,316	2.1%	46,360	(0.19)	CT-RO/RO	250,504	0.9%	277,011	1.1%	-9.6%	278,160	(0.10)
4,382	0.1%	6,561	0.2%	5,223	(0.16)	CT-STUFFING/DEVAN	52,967	0.2%	33,171	0.1%	59.7%	31,338	0.69
1,110	0.0%	327	0.0%	2,238	(0.50)	CT-HEAVYLIFT	19,187	0.1%	16,378	0.1%	17.1%	13,428	0.43
53	0.0%	59	0.0%	280	(0.81)	CT-LONGLENGTH	875	0.0%	1,882	0.0%	-53.5%	1,680	(0.48)
10,677	0.2%	7,630	0.2%	7,500	0.42	OUT-OF-GAUGE CARGO (OOG)	66,950	0.2%	40,468	0.2%	65.4%	45,000	0.49
1,919,212	42.0%	1,737,479	40.3%	1,862,715	0.03	CARGO THROUGHPUT REVENUES	11,302,012	41.4%	10,021,307	41.2%	12.8%	11,176,290	0.01
						OTHER CARGO RELATED REVENUES							
	0.0%		0.0%	245	(1.00)	LIFT ON/LIFT OFF		0.0%	1,942	0.0%	-100.0%	1,470	(1.00)
	0.0%		0.0%	88	(1.00)	PRESLUNG		0.0%	699	0.0%	0.0%	528	(1.00)
	0.0%		0.0%		-	EXPORT SCRAP CONTAINER		0.0%		0.0%	0.0%		-
266,851	5.8%	340,519	7.9%	207,873	0.28	TRANSSHIP CONTAINERS	1,594,544	5.8%	1,664,296	6.8%	-4.2%	1,247,238	0.28
15,436	0.3%	17,727	0.4%	13,132	0.18	OVERSTOWED CONTAINERS	193,177	0.7%	80,406	0.3%	140.3%	78,792	1.45
166	0.0%		0.0%	165	0.01	SHIFTED CONTAINERS	2,907	0.0%	1,015	0.0%	186.4%	990	1.94
4,285	0.1%	1,106	0.0%	1,466	1.92	RIGGED CONTAINERS	20,761	0.1%	7,145	0.0%	190.6%	8,796	1.36
10,987	0.2%	10,473	0.2%	10,174	0.08	REEFER CNTR-PLUG/UNPLUG	66,685	0.2%	60,315	0.2%	10.6%	61,044	0.09
285,081	6.2%	241,708	5.6%	265,418	0.07	DIRECT LABOR BILLED	1,908,797	7.0%	1,555,930	6.4%	22.7%	1,592,508	0.20
17,120	0.4%	11,464	0.3%	15,987	0.07	EQUIPMENT RENTAL	133,260	0.5%	98,353	0.4%	35.5%	95,922	0.39
53,353	1.2%	47,624	1.1%	48,813	0.09	PORT FEES & DOCKAGE	304,845	1.1%	278,203	1.1%	9.6%	292,878	0.04
433,077	9.5%	414,982	9.6%	410,847	0.05	WHARFAGE	2,660,391	9.8%	2,356,776	9.7%	12.9%	2,465,082	0.08
61,483	1.3%	63,157	1.5%	56,856	0.08	FUEL SURCHARGE	358,753	1.3%	337,645	1.4%	6.3%	341,136	0.05
19,731	0.4%	42,826	1.0%	38,586	(0.49)	MARITIME SECURITY FEE	113,711	0.4%	203,957	0.8%	-44.2%	231,516	(0.51)
144,820	3.2%	134,168	3.1%	123,492	0.17	FACILITY MAINTENANCE FEE	920,475	3.4%	728,531	3.0%	26.3%	740,952	0.24
494,773	10.8%	526,179	12.2%	515,844	(0.04)	CRANE SURCHARGE	2,990,169	11.0%	3,032,027	12.5%	-1.4%	3,095,064	(0.03)
1,807,163	39.5%	1,851,933	42.9%	1,708,986	0.06	OTHER CARGO RELATED REVENUES	11,268,474	41.3%	10,407,240	42.8%	8.3%	10,253,916	0.10
3,726,375	81.5%	3,589,412	83.2%	3,571,701	0.04	OPERATING REVENUES	22,570,486	82.8%	20,428,547	84.0%	10.5%	21,430,206	0.05

Port Authority of Guam
Income Statement
With Budget Comparison (Unaudited)
6 Months Ending 033118

Current Month Actual	%	Last Year Actual	%	Budget	% Chng		Year to Date Actual	%	Last Year to Date Actual	%	% Chng	Budget	% Chng
						INDIRECT COSTS							
						General & Administrative Expen							
(1,615,982)	-35.3%	(1,617,378)	-37.5%	(1,723,705)	(0.06)	Salaries & Wages	(9,468,220)	-34.7%	(9,314,491)	-38.3%	1.7%	(10,342,230)	(0.08)
(117,023)	-2.6%	(113,826)	-2.6%	(112,720)	0.04	Insured Benefits	(691,240)	-2.5%	(658,129)	-2.7%	5.0%	(676,320)	0.02
(417,582)	-9.1%	(445,262)	-10.3%	(444,900)	(0.06)	Retirement Benefits	(2,570,094)	-9.4%	(2,481,248)	-10.2%	3.6%	(2,669,400)	(0.04)
(128,497)	-2.8%	(117,381)	-2.7%	(2,500)	50.40	Other Benefits	(742,991)	-2.7%	(718,249)	-3.0%	3.4%	(15,000)	48.53
(3,402)	-0.1%	(16,171)	-0.4%	(6,667)	(0.49)	Other Personnel Costs	(33,948)	-0.1%	(4,477)	0.0%	0.0%	(40,002)	(0.15)
(12,933)	-0.3%	25,449	0.6%	(14,618)	(0.12)	Communications	(68,721)	-0.3%	(39,346)	-0.2%	74.7%	(87,708)	(0.22)
	0.0%		0.0%		-	Leases/Rentals		0.0%		0.0%	0.0%		-
(166,360)	-3.6%	(115,104)	-2.7%	(158,000)	0.05	Utilities	(879,916)	-3.2%	(728,132)	-3.0%	20.8%	(948,000)	(0.07)
(223,589)	-4.9%	(217,690)	-5.0%	(230,000)	(0.03)	General Insurance	(1,274,218)	-4.7%	(1,269,893)	-5.2%	0.3%	(1,380,000)	(0.08)
	0.0%		0.0%		-	Repairs & Maintenance		0.0%		0.0%	0.0%		-
(29,690)	-0.6%	(94,228)	-2.2%	(65,642)	(0.55)	Repairs & Maintenance	(184,389)	-0.7%	(277,686)	-1.1%	-33.6%	(393,852)	(0.53)
	0.0%		0.0%		0	Repairs & Maintenance-Subic Cr	44,756	0.2%		0.0%	0.0%		-
(19,565)	-0.4%	(44,762)	-1.0%	(29,166)	(0.33)	Repairs & Maintenance-Pola 14	(119,600)	-0.4%	(80,519)	-0.3%	48.5%	(174,996)	(0.32)
(24,871)	-0.5%	(44,032)	-1.0%	(29,166)	(0.15)	Repairs & Maintenance-Pola 16	(134,797)	-0.5%	(87,224)	-0.4%	54.5%	(174,996)	(0.23)
(30,031)	-0.7%	(45,034)	-1.0%	(29,166)	0.03	Repairs & Maintenance-Pola 17	(93,736)	-0.3%	(83,405)	-0.3%	12.4%	(174,996)	(0.46)
(521,315)	-11.4%	(484,205)	-11.2%	(441,667)	0.18	Depreciation & Amortization	(3,114,662)	-11.4%	(2,862,966)	-11.8%	8.8%	(2,650,002)	0.18
	0.0%	(389)	0.0%	(6,417)	(1.00)	Damage, Shortage, Writedown &	(500)	0.0%	(1,156)	0.0%	0.0%	(38,502)	(0.99)
(110,797)	-2.4%	(66,936)	-1.6%	(133,896)	(0.17)	Supplies	(509,386)	-1.9%	(333,783)	-1.4%	52.6%	(803,376)	(0.37)
(6,321)	-0.1%	(3,280)	-0.1%	(83,606)	-0.92	Miscellaneous	(163,931)	-0.6%	(25,713)	-0.1%	537.6%	(501,636)	(0.67)
	0.0%		0.0%		-	Advertising		0.0%		0.0%	0.0%		-
(68,009)	-1.5%	(100,050)	-2.3%	(90,322)	(0.25)	Agency& Management Fees	(403,339)	-1.5%	(420,530)	-1.7%	-4.1%	(541,932)	(0.26)
(138,254)	-3.0%	(108,149)	-2.5%	(207,751)	(0.33)	Professional Services	(874,826)	-3.2%	(665,914)	-2.7%	31.4%	(1,246,506)	(0.30)
(19,170)	-0.4%		0.0%	(5,167)	2.71	Contractual Services	(19,170)	-0.1%		0.0%	0.0%	(31,002)	(0.38)
(9,288)	-0.2%	(20,578)	-0.5%	(37,937)	(0.76)	Other Contractual Services	(41,145)	-0.2%	(88,855)	-0.4%	-53.7%	(227,622)	(0.82)
(28,279)	-0.6%	(25,878)	-0.6%	(13,959)	-0.3%	Other Expenses	(58,733)	-0.2%	(51,725)	-0.2%	13.5%	(83,754)	(0.30)
	0.0%		0.0%		0.0%	Earthquake Expense		0.0%		0.0%	0.0%		-
	0.0%		0.0%		0.0%	Typhoon Expense		0.0%	(11)	0.0%	-100.0%		-
	0.0%		0.0%		0.0%	Earthquake Expense		0.0%		0.0%	0.0%		-
(3,690,956)	-80.7%	(3,654,884)	-84.7%	(3,866,972)	(0.05)	General & Administrative Expen	(21,402,810)	-78.5%	(20,193,454)	-83.1%	6.0%	(23,201,832)	(0.08)

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Total Assets					
Current Assets					
Cash on Hand					
Petty Cash Fund	2,000.00	2,000.00	2,000.00		
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					
Bank of Guam	10,268,307.33	10,990,829.47	8,802,099.65	722,522.14-	1,466,207.68
Bank of Hawaii					
Citizen Security Bank	1,154,823.57	1,754,647.76	1,256,124.45	599,824.19-	101,300.88-
Cash in Bank	11,423,130.90	12,745,477.23	10,058,224.10	1,322,346.33-	1,364,906.80
Short Term Investments					
Bank of Guam	29,149,649.77	27,660,676.06	29,108,813.25	1,488,973.71	40,836.52
Citizen's Security Bank					
First Hawaiian Bank					
BankPacific					
Citibank					
Bank of Hawaii					
Oceanic Bank					
Gov Guam Employees Fed CU					
Short Term Investments	29,149,649.77	27,660,676.06	29,108,813.25	1,488,973.71	40,836.52
Account Receivable-Trade (Net)					
Accounts Receivable-Trade	8,010,452.46	7,360,707.74	7,335,267.75	649,744.72	675,184.71
Allow for Uncollectible Acct.	563,854.42-	563,854.42-	563,854.42-		
A/R-Clearing Account					
Account Receivable-Trade (Net)	7,446,598.04	6,796,853.32	6,771,413.33	649,744.72	675,184.71
Accounts Receivable-Other					
Accounts Receivable-DOA					
Accounts Receivable-Employee	836.74	1,005.84	2,493.84	169.10-	1,657.10-
Accounts Receivable-FEMA Reimb					
Accounts Receivable-Geda/Casam					
Accounts Receivable-Other	773,578.86	773,578.86	977,236.53		203,657.67-
Accounts Receivable-Ins Procee					
Accounts Receivable-Other	774,415.60	774,584.70	979,730.37	169.10-	205,314.77-
Marina Receivables					
Accounts Receivable-Agat Marin	29,127.55	30,577.05	20,379.97	1,449.50-	8,747.58
Accounts Receivable-GDP Marina	6,674.33	7,359.33	4,694.30	685.00-	1,980.03
Accounts Receivable-Harbor of	3,980.76	4,613.26	5,295.24	632.50-	1,314.48-

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Non Current Assets	3,717,126.10	3,662,151.83	3,293,538.23	54,974.27	423,587.87
Property, Plant & Equipment					
Land					
Land-Cabras	3,563,000.00	3,563,000.00	3,563,000.00		
Land	3,563,000.00	3,563,000.00	3,563,000.00		
Buildings					
Buildings-Original	15,732,648.10	15,732,648.10	15,732,648.10		
Buildings-Substation Shelters					
Buildings-Wharf Improvements	125,548,911.67	125,548,911.67	125,434,129.67		114,782.00
Canopy Structures					
Buildings	141,281,559.77	141,281,559.77	141,166,777.77		114,782.00
Accumulated Depreciation-Build					
AccDeprec-Buildings-Original	15,214,129.74-	15,211,729.39-	15,199,727.64-	2,400.35-	14,402.10-
AccDeprec-Buildings-Sub Shelte					
AccDeprec-Buildings-Wharf Impr	31,584,922.71-	31,294,013.49-	29,857,162.91-	290,909.22-	1,727,759.80-
AccDeprec-Canopy Structures					
Accumulated Depreciation-Build	46,799,052.45-	46,505,742.88-	45,056,890.55-	293,309.57-	1,742,161.90-
Furnishings & Equipment					
Air Tools					
Communications Equip	528,231.08	528,231.08	528,231.08		
Computer Equip	6,066,270.58	6,066,270.58	6,175,119.86		108,849.28-
Crane Equip	16,206,672.56	16,206,672.56	16,206,672.56		
Furnishings & Office Equip	1,067,379.86	1,082,155.16	1,058,410.16	14,775.30-	8,969.70
Forklift Equip	1,821,145.00	1,821,145.00	1,229,928.00		591,217.00
Gantry 3 Relocation Cost					
Generator Sets	1,167,056.25	1,167,056.25	1,167,056.25		
Hand Tools	14,832.85	14,832.85	14,832.85		
Load & Unload Equip	2,852.00	2,852.00	2,852.00		
Mowing Equip	6,999.00	6,999.00	6,999.00		
Other Equip	1,839,704.78	1,839,705.78	1,839,705.78	1.00-	1.00-
Power Tools	17,772.56	17,772.56	17,772.56		
Safety Equip	39,427.95	39,427.95	14,990.95		24,437.00
Shop Equip	337,319.15	337,319.15	339,724.65		2,405.50-
Tractors	2,970,216.97	2,970,216.97	2,970,216.97		
Vehicles & Motor Equip	1,851,765.87	1,851,765.87	1,861,265.87		9,500.00-
Furnishings & Equipment	33,937,646.46	33,952,422.76	33,433,778.54	14,776.30-	503,867.92
Accumulated Depreciation-Furni					
AccDeprec-Air Tools					
AccDeprec-Communications Eqt.	490,983.29-	490,198.27-	486,273.17-	785.02-	4,710.12-
AccDeprec-Computer Equip	1,279,536.05-	1,240,499.71-	1,172,125.78-	39,036.34-	107,410.27-
AccDeprec-Crane Equip	6,414,921.22-	6,312,970.75-	5,802,816.62-	101,950.47-	612,104.60-
AccDeprec-Furnishings & Office	567,329.42-	564,968.35-	519,140.73-	2,361.07-	48,188.69-
AccDeprec-Forklift Equip	798,533.70-	783,357.45-	707,476.20-	15,176.25-	91,057.50-
AccAmort-Gantry 3 Relocation C					
AccDeprec-Generator Sets	250,120.50-	243,636.86-	211,218.66-	6,483.64-	38,901.84-

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Due to Public Utilities					
Accrued Interest Payable					
Accrued Interest Payable					
Accrued Interest Payable					
Deferred Revenues					
Deferred Revenues-DOD Moderniz					
Deferred Income - GEDA	61,769.01-	61,769.01-	61,769.01-		
Deferred Revenues -Leases	105,718.75	105,718.75	172,829.72		67,110.97-
Deferred Revenues Marinas			13,020.93		13,020.93-
Deferred Revenues			77,720.52		77,720.52-
Deferred Revenues	43,949.74	43,949.74	201,802.16		157,852.42-
Accrued Expenses					
Accrued Payroll	727,565.08	589,362.99	779,339.22	138,202.09	51,774.14-
Accrued Vacation Pay-Current	1,402,628.38	1,374,903.74	1,232,707.36	27,724.64	169,921.02
Accrued Vacation Pay					
Accrued Earthquake Cost					
Accrued Cola/Supplemental					
Accrued Typhoon Cost					
Accrued Medicare Tax					
Accrued Federal Grant					
Employee Insurance Payables	7,682.26	6,658.62	1,906.54	1,023.64	5,775.72
Employee Deductions Payable	298,264.58	256,211.84	288,964.36	42,052.74	9,300.22
Withholding Tax Payable					
Credit Union					
Accrued Miscellaneous Deductio					
Accrued Death & Disability Ins					
Retirement Contributions					
Deferred Compensation Plan Pay					
Accrued Expenses	2,436,140.30	2,227,137.19	2,302,917.48	209,003.11	133,222.82
Security Deposits					
Security Deposits -Space Leas	84,762.18	84,859.86	85,065.72	97.68-	303.54-
Security Deposits - Marinas	30,926.82	30,926.82	30,311.82		615.00
Security Deposits	115,689.00	115,786.68	115,377.54	97.68-	311.46
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					
Current Liabilities	6,319,821.13	6,979,444.44	7,539,561.65	659,623.31-	1,219,740.52-

Port Authority of Guam
Balance Sheet
As of 03/31/18

	Amount Current	Amount Last Month End	Amount Last Year End	Change This Month	Change This Year
Capital Contributions & Equity	110,657,047.68	110,123,317.81	106,726,302.13	533,729.87	3,930,745.55
Total Liabilities & Capital	179,265,209.88	179,391,103.32	176,554,204.85	125,893.44	2,711,005.03

PORT OF GUAM
AGING SUMMARY
AS OF 03/31/2018

Number	Name	Open	Current	31 - 60	61 - 90	91 - 120	Over 120	Amount	Date	REMARKS
14526	Cementon Micronesia, LLC	$233,895.46		$0.30	$0.30		$233,894.86	$18,238.20	5/1/2018	Customer currently up to date for 2018 Lease payments, following up with commercial in regards to past due invoices.
14405	KVOG Broadcasting/MCS, LLC	$114,745.97	-$0.16				$114,746.13	$45.36	11/14/2012	With Legal, No update
7384	Marianas Steamship Agencie	$1,318,078.43	$979,066.83	$241,210.04	$5,701.68	$2,451.47	$89,648.41	$5,095.06	5/9/2018	Interest Charges totaling $14,976.97 still working closely with customer. $38,329.08 still currently under dispute.
7376	Matson Navigation Co.	$3,509,956.66	$3,418,149.36	$2,020.41		$436.96	$89,349.93	$341,284.30	4/23/2018	Reminder sent via email to Geri & Rolly, to remind them of past due invoices. Geri states the invoices are still under review. Will process a late notice.
15388	Guam Industrial Serv. Inc.	$116,088.27	$12,378.52	$36,656.75	$11,760.00	$11,760.00	$43,533.00	$10,353.00	4/10/2018	Customer did not make any payments for March, Late Notice will be processed and sent out.
11848	Fantasea Charters/Velez, A	$18,307.91	-$0.33				$18,308.24	$25.00	5/5/2016	Currently with collections
15240	AVANTI MARINE SPORTS	$14,869.05					$14,869.05	$1,874.25	3/4/2016	On a list for collections/returned mail/ No updated contact information
13422	Department of Agriculture	$14,765.40					$14,765.40	$14,765.40	5/3/2018	Paid 5/3/18
13044	Smithbridge Guam, Inc.	$34,725.94	$160.84	$8,861.95	$6,874.83	$6,874.83	$11,953.49	$20,578.69	5/9/2018	Late Notice Sent Out 03/23 will follow up with customer
14542	Heavy Equipment Rental Opt	$11,791.11					$11,791.11	$102.08	3/22/2017	On a list for collections/returned mail/ No updated contact information
11776	Customs and Quarantine Age	$8,985.60		$898.56	$449.28	$449.28	$7,188.48			Currently working with commercial to follow up on payment.
7106	Shell Guam, Inc.	$11,700.00		$1,950.00	$1,950.00	$1,950.00	$5,850.00	$1,950.00	11/4/2011	Pending Lease from Legal
9620	Alupang Beach Club	$6,607.66	$580.35	$308.30	$260.40	$22.90	$5,435.71	$1,150.04	5/2/2018	Multiple invoices are currently being disputed and are under review
13536	Guam Lucky Strike, Inc./Jo	$4,451.67					$4,451.67	$525.00	12/2/2016	Many failed attempts to contact customer, Carl (commercial) informed he wil try to get in touch with customer and follow up.
13641	M.A.Y. (Guam) Inc.	$3,544.81					$3,544.81	$400.28	1/8/2016	On a list for collections
7341	Ambyth Shipping & Trading	$303,486.93	$217,451.73	$9,230.33	$73,436.48		$3,368.39	$106,774.52	5/10/2018	Past due balance currently being disputed, reviewing dipuste letter and invoice charges
14283	Brand, Inc.	$6,456.23		$2,364.19	$1,297.16		$2,794.88	$1,111.00	5/2/2018	Past due balance are all Interest fees, customer will either write a letter of consideration or letter of proposed increments.
14382	Sepety, Ulysess Y.	$1,703.75					$1,703.75	$100.00	11/8/2016	Currently with collections

Number	Name	Open	Current	31 - 60	61 - 90	91 - 120	Over 120	Amount	Date	REMARKS
14922	Jack Michael	$1,495.00					$1,495.00	$500.00	9/20/2016	Attempted to contact customer several times. Failed to return calls. Notices were sent out, will be reffered to collections
15563	Tereas, Jeremy	$1,100.00	-$137.50			$137.50	$1,100.00	$687.50	4/11/2018	Late Notice will be processed and sent out
14364	P.S.V. Corp./Joo, Gi Bum	$3,039.48	$120.14	$1,021.26	$952.56	$85.05	$860.47	$2,991.83	1/19/2018	Partial of past due is Interest invoice, will process late notice and send out.
15523	Ly, Quang Minh	$1,212.50	$112.50	$137.50	$137.50	$137.50	$687.50	$850.00	6/20/2017	Final Notice already sent out working with Carl on next steps to terminate customer.
7886	Guam Transport & Warehouse	$2,310.75	-$71.00	$588.00	$617.75	$588.00	$588.00	$58.44	2/23/2018	Late Notice will be processed and sent out
15653	SAUGET, PAUL		-$571.22				$571.22	$571.22	11/3/2017	Payment has already been made, and applied to past due invoices.
15300	Berg, Julia	$1,410.00	$220.00	$220.00	$220.00	$220.00	$530.00	$1,875.00	5/9/2018	Customer will be in to clear balance as she just started a new job.
14368	Tyco Electronics Subsea Co	$14,374.85	-$7.02	$13,910.40			$471.47	$22.36	5/3/2018	Invoices totaling $471.47 are currently being disputed and under review.
1862	SANTOS, JOHN T.	-$194.00	-$593.04				$399.04			Contacted former employee, he states he will be in to make partial payment.
15579	Triple J Five Star Wholesa		-$382.34				$382.34	$382.34	11/3/2017	Payment has already been made, and applied to past due invoices.
15491	Lizama, Jr. Kelly A	$375.00					$375.00	$137.50	11/8/2016	Many failed attempts to contact customer will prepare docs and forward to collections.
15475	Tropical Island Marine Spo	$1,750.30	$305.90	$606.60	$537.90		$299.90	$800.00	3/16/2018	Late Notice will be processed and sent out
7587	American President Lines L	$1,685,419.45	$1,522,708.06	$162,435.91			$275.48	$116.88	5/10/2018	Invoice of $275.48 was forwarded to Severina, she advised me she will send it to their Japan office and follow up on payment. Will follow up with her.
15651	Barcenilla, Roland/Gerylin	$412.50				$137.50	$275.00			2nd notice will be processed and sent out.
15663	Okeanos Marianas	$250.00					$250.00			Late Notice will be processed and sent out
12336	Wang, Jen-Nan	$244.12					$244.12	$1,126.42	5/4/2018	Customer flies frequently and will be in to update his account and pay late fee as well. Customer has history of paying late, but when payment is made he pays in full.
14850	Hartup, Jason	$712.50	$137.50	$137.50	$137.50	$137.50	$162.50	$575.00	8/17/2017	Customer claims boat was sold since Aug. and out of the water, currently working with commercial to find out status.
15095	Chen, Steven	$623.98	$70.00	$70.00	$70.00	$262.78	$151.20	$2,908.89	11/15/2017	Late Notice sent out will follow up with customer on payment.
15040	Tyquiengco, Joseph T.	$137.50					$137.50	$137.50	5/7/2018	$137.50 is currently under review as customer is currently disputing
15428	Stewart, Michael	$687.50	$412.50			$137.50	$137.50	$825.00	4/5/2018	Customer states he will be in to make payment to bring account up to date
15511	Anderson, Mark A.		-$137.50				$137.50	$137.50	4/30/2018	Payment has already been made, and applied to past due invoices.

Number	Name	Open	Current	31 - 60	61 - 90	91 - 120	Over 120	Amount	Date	REMARKS
7624	Micronesian Divers Assoc.,	$532.60	-$1,167.80	$732.60	$732.60	$117.60	$117.60	$732.60	4/10/2018	Payment has already been made, and applied to past due invoices.
14436	John C. Aguon/Myung J. Par	$125.00	-$25.00			$50.00	$100.00	$600.00	2/24/2017	Late Notice will be processed and sent out
13674	Coffman, John Randolf	$97.50					$97.50	$220.00	4/26/2018	$97.50 under review as customer is currently disputing
14429	Weilbacher, Walden	$225.00		$50.00	$50.00	$50.00	$75.00	$50.00	3/23/2018	Customer states he is off island and when he returns he will make account current
14582	Packbier, Paul E.R./PCR Gu	-$150.00	-$560.00	$155.00	$155.00	$50.00	$50.00	$315.00	4/5/2018	Customer currently up to date payments will be applied accordingly.
1490	Guam Telephone Authority	$340.68	$306.54				$34.14	$1,050.00	5/7/2018	$34.14 is interest invoice, which was forwarded to their accounting dept. waiting for feedback in regards to payment.
13476	Isla Maritime Agency	-$3.12	-$425.25	$390.04			$32.09			$32.09 remaining on a particular invoice customer only paid port entry fee, will follow up with customer.
15050	PERMARCH GUAM INC		-$27.31				$27.31	$27.31	11/27/2017	Payment has already been made, and applied to past due invoices.
13089	Guam Fisherman's Cooperati	$175.00	$50.00	$50.00	$50.00		$25.00	$550.00	5/17/2017	Attemped to contact Carmen, 2nd notice will be sent out.
15301	James, Iosichy	$25.00					$25.00	$275.00	1/19/2018	Past due is an interest invoice, contact information not up to date. Will send Final Notice.
15554	Barcinas, John	$15.00					$15.00			Final Notice was mailed to customer.
14444	Office of the Governor of	$27,890.41		$27,890.33			$0.08	$91,583.33	3/19/2018	
14778	IP&E Holding LLC	-$487,306.54	-$493,225.09	$2,771.24		$3,147.28	$0.03	$5,814.03	5/3/2018	
50	Port Authority of Guam	-$25.00	-$25.00							
1300	SANTOS, RAYMOND B.	-$50.00	-$50.00							
1487	Guam Federation of Teacher	-$859.00	-$859.00							
1661	ESPLANA JR., DAVID B.	-$50.00	-$50.00					$50.00	3/26/2018	
1749	CARBULLIDO, RITA B.	-$50.00	-$50.00					$30.00	9/1/2017	
2010	VALENCIA, LILIAN T.	-$50.00	-$50.00					$50.00	3/14/2018	
7350	Consolidated Transportatio	$860,006.86	$778,051.33	$81,791.67	$163.86			$2,220.72	4/30/2018	
7368	Cabras Marine Corp	-$24,002.80	-$37,571.82	$5,812.24	$4,731.91	$3,024.87				
7413	Seabridge Inc.	$23,978.30		$23,912.00	$66.30			$63.76	8/1/2017	
7501	Triple J. Ent., Inc.		-$218.48		$218.48			$218.48	1/9/2018	
7763	Guam Dolphin's Marine Spor	$605.10	-$872.95	$1,478.05				$1,973.65	5/3/2018	
8264	Olson, Tom	-$450.00	-$450.00					$1,050.00	5/3/2018	
8336	Pacific Trucking Inc.	-$0.44	-$0.44					$116.88	5/8/2018	
8352	Paradise Aqua Corp.	$423.36		$423.36				$423.36	4/27/2018	
8483	Scuba Company	$8,649.12	-$3,065.68	$5,857.80	$5,857.00			$2,329.00	5/7/2018	
9401	Tasi Tours Inc.	$656.02	-$436.10	$582.12	$510.00			$2,694.24	4/17/2018	

Number	Name	Open	Current	31 - 60	61 - 90	91 - 120	Over 120	Amount	Date	REMARKS
9478	Triple B Forwarders	-$489.67	-$655.78	$166.11				$116.88	5/10/2018	
9540	Unitek Environmental Svcs	$220.00	$220.00					$220.00	4/12/2018	
9654	Baba, Hideharu	-$40.00	-$40.00					$40.00	5/7/2018	
9697	Camacho, Antonio Frank C.	-$360.00	-$360.00					$480.00	1/18/2018	
9726	Deckard, Robert	$162.50				$162.50		$162.50	11/30/2017	
9742	Duenas, Christopher M.	-$300.00	-$300.00					$300.00	3/22/2018	
9751	Duenas Roy P.	$240.00	$240.00					$80.00	5/8/2018	
9806	Felix, Christopher	$220.00	$220.00					$220.00	5/9/2018	
9814	Fentress, Michael D.	-$679.00	-$679.00					$170.00	2/26/2018	
9822	Osakana Cruise, Inc/Fish E	$22.90		$22.90				$532.90	4/3/2018	
9831	Fish Hook Inc.	$360.00	$360.00					$360.00	4/26/2018	
9849	Flores, William A.	-$500.00	-$550.00	$50.00				$600.00	3/8/2018	
9996	Johnson,George L.	$212.00	$106.00	$106.00				$106.00	5/9/2018	
10225	Mobil Oil Guam, Inc.	$137,907.93	$137,907.93					$79,273.16	5/10/2018	
10250	Morrico Equipment LLC	-$1,241.08	-$1,241.08					$1,800.00	1/26/2018	
10524	Orcutt, Kenneth D.	$274.50	$137.00			$137.50		$137.50	5/7/2018	
10621	Perez, Thomas L.G.	-$640.00	-$640.00					$960.00	11/21/2017	
10701	Peterson, George N.	$300.00	$137.50	$137.50		$25.00		$137.50	4/5/2018	
10735	Plummer, Peter J.	-$87.50	-$87.50					$175.00	4/23/2018	
10743	Poppe, Edward/FISH INC	$130.00	$105.00	$25.00				$210.00	4/30/2018	
10778	Real World Diving	-$369.99	-$396.56	$26.57				$511.56	4/16/2018	
11756	V.Angoco's Trucking	$1,024.62	-$739.38	$1,764.00				$175.32	5/8/2018	
11770	Black Construction Corpora	$103.12	$103.12					$721.44	5/3/2018	
11775	Charles Marine Sports Club	-$295.10	-$1,593.40	$1,298.30				$1,298.30	5/3/2018	
11794	Guam Shipyard	$174.34	$14.04	$114.50	$22.90	$22.90		$33.64	3/29/2018	
11909	Micronesian Brokers Inc.		-$389.48	$389.48				$204.54	5/9/2018	
12293	Bradford, William W.	-$220.00	-$220.00					$220.00	5/7/2018	
12338	Tembata, Masao DBA:Ten Boa	-$50.00	-$50.00					$212.50	4/3/2018	
12373	Beighley, Jim/Mark Baldyga	-$475.00	-$525.00	$50.00				$150.00	4/20/2018	
12394	Wong, Billy	-$362.50	-$362.50					$262.50	3/1/2018	
12397	Cruz, John R.	-$40.00	-$40.00					$160.00	8/29/2017	
12408	Marianas Yacht Club	-$100.00	-$100.00					$100.00	4/20/2018	
12424	Flores, Joaquin C.	-$275.00	-$275.00					$137.50	4/25/2018	
12509	Hanley, Timothy F.	-$52.50	-$52.50					$105.00	4/26/2018	
12511	Hanson Permanente Cement o	-$506,242.92	-$515,546.36	$9,303.44				$172,000.00	3/6/2018	
12513	Berkemeyer, Thomas R.	$137.50	$137.50					$137.50	5/11/2018	
12527	Paynter, Neil	$112.50	$112.50					$575.00	3/27/2018	

Number	Name	Open	Current	31 - 60	61 - 90	91 - 120	Over 120	Amount	Date	REMARKS
12706	Guam Seawalker Tours	-$100.00	-$100.00					$340.00	4/30/2018	
12895	Bell, James C. or Cynthia	-$150.00	-$150.00					$600.00	2/12/2018	
13030	South Pacific Petroleum Co	-$29,896.42	-$59,638.42	$29,742.00				$29,742.00	4/23/2018	
13040	Watson, Jonathan	-$226.10	-$226.10					$85.68	1/8/2018	
13081	Watanabe, Akio/Fontana & C	-$128.00	-$128.00					$147.00	4/10/2017	
13121	Tidewater Distributors Inc	$359.04	$358.54			$0.50		$5,510.61	5/7/2018	
13190	GENTLY BLUE DIVING SHOP	-$93.26	-$102.67	$9.41				$122.33	12/13/2017	
13191	Aguon, Sonja V. or Paul SN	-$797.97	-$917.97	$60.00	$60.00			$240.00	3/26/2018	
13201	Guam Tropical Dive Station	$9.41		$9.41				$18.82	4/10/2018	
13202	Department of Administrati	$75,599.00	$75,599.00					$75,629.00	4/20/2018	
13314	Island Certs Corporation	-$1,237.50	-$1,237.50					$50.00	4/30/2018	
13532	Ahlf, Douglas J.	$150.00	$50.00	$50.00	$50.00			$200.00	5/2/2018	
13537	Wang, Jackey	$559.14	$160.00	$214.14	$185.00			$1,177.38	5/4/2018	
13545	Perez, Vincent T./Vern Per	-$600.00	-$600.00					$600.00	12/15/2017	
13653	Yu, Niko K.	-$120.00	-$120.00					$410.00	2/14/2018	
13677	Brown, Roy	-$220.00	-$220.00					$174.45	5/17/2017	
13696	Lotus Pacifica Trading, In	$16,106.22	$12,554.53	$3,551.69				$780.00	5/7/2018	
13773	Walker, Jon D./Reed, Marvi	$69.00	$34.50	$34.50				$69.00	4/26/2018	
13844	Hagen, William	$220.00	$220.00					$220.00	4/12/2018	
13913	Skoocumchuck Charters Inc.	$623.16	$435.00	$188.16				$723.16	4/16/2018	
13914	Dacanay, Ann R.	$25.00		$25.00				$185.00	2/20/2018	
14013	Brandt, Jim or Bonnie	-$137.50	-$137.50					$137.50	5/7/2018	
14061	AR Sunriser Canteen/Cateri	$1,445.82		$696.19	$696.19	$53.44		$1,642.01	4/5/2018	
14064	Judiciary of Guam	-$100.00	-$100.00					$100.00	3/23/2018	
14126	Margarita Charters	$695.50	$695.50					$1,391.00	4/16/2018	
14141	Core Tech International	-$425.15	-$425.15					$81.93	9/1/2017	
14143	Salt Shaker Yacht Charter	$24.04	-$245.26	$269.30				$269.30	5/9/2018	
14145	Nadler, Landon	$40.00	$40.00					$40.00	5/9/2018	
14150	PIER, KENNETH	-$114.60	-$137.50		$22.90			$275.00	4/30/2018	
14161	Isla Trucking	$588.00		$588.00				$588.00	5/11/2018	
14171	Norton Lilly International	$180,764.93	$180,554.32	$210.61				$452.53	5/10/2018	
14210	Kaneshiro, Roger J., D.D.S	-$720.00	-$720.00					$960.00	1/10/2018	
14290	DGX	$309.76	-$101.84	$411.60				$584.22	5/4/2018	
14381	Apra Dive & Marine Sports,	$2,645.21	$675.41	$1,969.80				$4,020.29	5/8/2018	
14384	Auto Marine Inc.	$779.22	$430.61	$348.61				$1,000.00	3/16/2018	
14409	Robinson, Merle Ann	-$25.00	-$25.00					$192.00	3/14/2018	
14431	Quinata, Carlos/Amber Heri	$474.78	$224.78	$125.00	$125.00			$862.50	11/21/2017	

Number	Name	Open	Current	31 - 60	61 - 90	91 - 120	Over 120	Amount	Date	REMARKS
14443	Moritz, Lance	-$100.00	-$100.00					$150.00	4/30/2018	
14447	Flores, Paul A	-$50.00	-$50.00					$50.00	4/30/2018	
14453	Paradis, Guy R.	$440.00	$220.00	$220.00				$440.00	4/4/2018	
14485	Rains, Julian T.	-$2.50	-$2.50					$138.00	5/3/2018	
14507	Guam Home Center	-$218.57	-$218.57					$740.96	8/18/2017	
14527	UMS Heavy Equipment Rental	-$764.23	-$970.03	$205.80				$29.22	4/5/2018	
14533	Brochon, Michael	$120.00	$40.00	$40.00	$40.00			$465.00	2/17/2017	
14534	Martin, Dwight	-$75.00	-$100.00	$25.00				$500.00	3/23/2018	
14535	Young, Dione & Jerry	$100.00		$100.00				$100.00	5/2/2018	
14537	Fredrick, Bruce & Dianne	$270.00	$245.00	$25.00				$440.00	3/27/2018	
14570	Terlaje, Glenn	-$137.50	-$137.50					$137.50	1/4/2018	
14610	U.S. Department of Homelan	$16,531.71	$16,531.71					$18,987.94	5/10/2018	
14642	Tristar Terminals Guam, In	$345,431.97	$345,431.97					$16,496.79	5/9/2018	
14658	Phillip, Vincer	$112.50	$112.50					$250.00	4/18/2018	
14663	Cafky, James W. & Melvia	$220.00	$220.00					$220.00	5/7/2018	
14764	San Jose Investments, LLC		-$81.93			$81.93		$81.93	11/30/2017	
14776	MARAD	-$169.45	-$169.45							
14791	Fong, Francis L	-$37.46	-$88.05	$50.59				$330.00	2/13/2018	
14820	Underwater World	$212.50	$212.50					$212.50	4/3/2018	
14907	Taitano, John	-$429.00	-$429.00					$1,144.00	3/13/2018	
14909	Propacific Builder Corpora	$80.34	$80.34							
14964	Micronesia Guam Inc.		-$2,567.14		$2,567.14			$2,567.14	12/27/2017	
14968	Nguyen, Hoa Van	$70.00	-$30.00	$50.00	$50.00			$960.00	2/22/2017	
15079	McDermott, Brian	$25.00	$25.00					$79.97	3/23/2018	
15088	Shida, Paul H.	$210.00	$70.00	$70.00	$70.00			$140.00	4/24/2018	
15103	Collier, Ernest	-$255.00	-$255.00					$220.00	5/7/2018	
15152	SUNNY SIDE UP GUAM INC.	-$5,092.50	-$5,092.50					$6,000.00	12/22/2017	
15205	RIDLON, DANIEL A	-$450.00	-$450.00					$600.00	1/8/2018	
15207	SOUTH PACIFIC DREAM CORP(	$140.00				$140.00		$140.00	4/30/2018	
15290	Murrell, Robert Dan	-$400.00	-$550.00	$50.00	$50.00	$50.00		$600.00	1/29/2018	
15325	Kobayashi, Ronald	$150.00	$150.00					$150.00	5/7/2018	
15326	Campus, Hieu	-$1,360.00	-$1,360.00					$1,560.00	1/18/2018	
15327	Petrick, Philip R.	$282.24	$141.12	$141.12				$410.76	3/13/2018	
15334	KALS Corporation	-$46,755.85	-$46,755.85					$2,714.94	5/11/2018	
15370	J524 Inc./Layla Dolphin Cr	$680.00	$680.00					$680.00	4/9/2018	
15375	CLODFELTER, PATRICIA	-$100.00	-$100.00					$100.00	3/12/2018	
15433	Pieske, Burghard	-$600.00	-$600.00					$900.00	3/1/2018	

Number	Name	Open	Current	31 - 60	61 - 90	91 - 120	Over 120	Amount	Date	REMARKS
15467	Baird, Austin & Belinda	$260.00	$260.00					$260.00	4/23/2018	
15480	L & P Corporation	-$0.05	-$0.05					$255.25	8/18/2016	
15488	Love, Rick	-$50.00	-$50.00					$50.00	5/10/2018	
15526	Ovalles, Victor	$275.00	$137.50		$137.50			$137.50	3/26/2018	
15529	Santiago, Tarcisia	-$50.00	-$50.00					$50.00	2/14/2018	
15537	Fitzgerald, Stephen	-$50.00	-$50.00					$50.00	1/27/2017	
15548	Makanja Fishing Charters	-$87.50	-$87.50					$175.00	5/3/2018	
15549	Regis, John F.	-$237.50	-$237.50					$275.00	5/4/2018	
15582	Shavers, George Kenneth	$325.08		$162.50	$162.50	$0.08		$1,430.00	5/17/2017	
15592	Tedtaotao, Connie	$137.50				$137.50		$412.50	11/22/2017	
15593	Guam Ocean Adventures, LLC	$305.76		$305.76				$305.76	5/7/2018	
15594	Mcvey, Troy	-$412.50	-$412.50					$412.50	3/21/2018	
15597	Gorman, John T.	-$50.00	-$50.00					$50.00	6/13/2017	
15600	Island Breath	$6,022.72	$6,022.72					$12,555.84	1/24/2018	
15612	Churchill, Charles D.	-$1,262.40	-$1,262.40					$800.00	3/22/2018	
15613	Driscoll, Myles O./Kelly L	$440.00	$220.00	$220.00				$220.00	1/25/2018	
15620	Saito, Minoru	-$450.00	-$750.00	$150.00	$150.00			$600.00	3/6/2018	
15621	Sage, Anthony	$220.00	$220.00					$440.00	4/12/2018	
15631	Quintanilla, Randy M.	-$100.00	-$100.00					$100.00	1/12/2018	
15664	Cook, David S.	-$10.00	-$10.00					$10.00	11/29/2017	
15674	Ching, Donald	-$50.00	-$50.00							
15677	Reinhardt, Kyle Christophe	-$65.00	-$65.00					$15.00	2/20/2018	
15682	Marges, Lilyjing D. T.	-$100.00	-$100.00					$50.00	3/26/2018	
15692	Jo, Myeongseon	-$659.64	-$659.64					$783.21	3/1/2018	
15694	Hocog, Gerry J.	-$50.00	-$50.00							
15695	Yanto, Alan L.	-$50.00	-$50.00					$50.00	2/7/2018	
15696	Sanford, Mason Todd		-$116.88	$116.88				$116.88	2/14/2018	
15697	Linden Dolphin Cruise	$187.09	$187.09					$1,621.47	2/19/2018	
15698	Poseidon's Maidens Charter	$212.50	$212.50					$212.50	3/21/2018	
15700	Bass, Jamie D.	-$50.00	-$50.00					$50.00	2/26/2018	
15704	Halmi, Anthony Villagomez	-$275.00	-$275.00					$137.50	5/2/2018	
15706	Uncangco, Francine R.M.	-$50.00	-$50.00					$50.00	3/12/2018	
15707	Benavente, Kathleen	$3,418.74	$3,418.74					$58.44	3/14/2018	
15708	HMR Guam Inc.	$1,227.24	$1,227.24							
15709	Sam, Gerald L.	-$201.62	-$201.62					$201.62	3/14/2018	
15710	Iglesias, Alvin P.	-$15.00	-$15.00					$15.00	3/16/2018	
15711	GAMBOA, NICHOLLE LYNN S.	-$50.00	-$50.00					$50.00	3/16/2018	

Number	Name	Open	Current	31 - 60	61 - 90	91 - 120	Over 120	Amount	Date	REMARKS
15712	YATILMAN, ISAIAH	-$50.00	-$50.00							
15713	SCHEPER, ROBERT I.	-$50.00	-$50.00					$50.00	3/16/2018	
15714	HA, JENNIFER	-$50.00	-$50.00					$50.00	3/19/2018	
15715	MCLARNIN, ROBERT JAMES	-$60.00	-$60.00					$60.00	3/21/2018	
15716	Sanchez, Gilbert	-$50.00	-$50.00					$50.00	3/22/2018	
15717	Plate, Laura M.	-$412.50	-$412.50					$137.50	4/26/2018	
15718	Larsen, Helge	-$1,150.00	-$1,150.00					$1,150.00	3/27/2018	
15719	Iglecias, Alvin P.	$15.00	$15.00							
15720	Pangelinan, Joshua	-$50.00	-$50.00					$50.00	3/29/2018	
	TOTAL	$8,050,324.83	$6,520,216.22	$688,414.32	$121,327.62	$33,039.87	$687,326.80			

Port Authority of Guam
Accounts Payable Summary

Supplier	Supplier Name	Phone	Co	Balance Open	Aging: Current	61 - 90	91 - 120	121 - 0	Over 0
15685	A.B.MER Construct	671 6378401	00050	7797.10	7797.10				
13280	America's Best El	671 6476674/75SON	00050	2697.88	2697.88				
12215	Americana Supplie	671 6464371(ERIC)	00050	96.80	96.80				
14337	ALAN SEARLE & ASS	671 6424707	00050	3800.00	3800.00				
15262	AWESOME HARDWARE	671 787-2663	00050	2334.25	2334.25				
11768	Benson Guam Enter	671 4777562(SALLY	00050	2310.12	2310.12				
12239	Best American Too	671 6465058(ELMA)	00050	974.95	974.95				
13495	BME & Son Inc.	671 6323338/63754	00050	67442.68					67442.68
11831	Cash		00050	331.14	331.14				
13684	Chang Chin Inc.	671 6494074	00050	2090.00	2090.00				
12283	Cheers Travel		00050	1744.65-	1744.65-				
12106	ComPacific	671 6376673 /6851	00050	534.00	534.00				
14299	CANTON CONSTRUCTI	671 6888882	00050	29012.38					29012.38
13915	D.S.Y. Corporatio	671 6371687(FE)	00050	1778.00	1778.00				
14510	Data Management R	671 6473674	00050	839.25	839.25				
11778	Dewitt Trans Serv	671 6464442/64818	00050	334.25	334.25				
7798	Diamond Auto Part	671 6494234/64605	00050	317.12	317.12				
14052	Far East Equipmen	671 8886270/JOHNL	00050	30835.42	30835.42				
14763	Fastenal Company	671 6481406	00050	20811.15	20811.15				
9030	Foremost Crystal	671 6499782	00050	793.50-	793.50-				
11471	Gov't of Guam Ret	671 7342196	00050	636060.64					636060.64
9128	Graphic Center, I	671 4723072/3	00050	801.60	801.60				
7747	Guahan Waste Cont	671 6495183	00050	10750.54	10287.84				462.70
14507	Guam Home Center	671 6324442	00050	1602.39	1602.39				
7851	Guam Power Author	671 5652909(AGAT)	00050	94869.84	94869.84				
12126	Guam Waterworks A	671 6477800(ROSE)	00050	128953.83	2622.81				126331.02
15288	GuamWEBZ	671 6477167	00050	2053.34	2053.34				
8272	GRESCO Guam Refin	671 5657473/MONA	00050	2800.00	2800.00				
15670	GUAHAN VENTURES,	671 4287055	00050	196.19	196.19				
2019	GUERRERO, KODY F.	671 727-3873	00050	350.00			350.00		
14761	G4S Security Syst	671 6468341	00050	689677.48	43056.48				646621.00
14920	Heavy Equipment P	671 6888401	00050	2533.83	1983.83				550.00
14320	Home Depot (The)	671 6480440	00050	677.34	677.34				
9187	Hydra-Air Pacific	671 6495843/5844N	00050	1528.59	1528.59				
9152	HFP Industrial Pr	671 6470345	00050	1559.64	1559.64				
13092	I Connect	671 8888888/88875	00050	7793.15	7793.15				
9224	Island Equipment	671 6465261/64652	00050	1754.25	1754.25				
15624	INTUITIVE SOLUTIO		00050	1259.86	1259.86				
2021	IRIARTE, JACOB Q.	671 482-9546	00050	350.00			350.00		
15034	IT&E		00050	17.81					17.81
9291	J.V. Internationa	671 6469524/9540	00050	773.20	773.20				
9312	Jack Peters & Com	671 6461241/7349(	00050	527.85	527.85				
12199	Kilroy	671 4726390(JOHNT	00050	1280.00	1280.00				
7376	Matson Navigation	671 4755961-CSD 4	00050	84096.38	84096.38				
10188	Mid-Pac Far East	671 6325160/5169/	00050	106.56	106.56				
10250	Morrico Equipment	671 6491947FRANK	00050	93396.54	79765.14				13631.40
2022	MEEKS, LEANN M.	671 682-2564	00050	350.00			350.00		
2024	MIZUSAWA, KIRT K.	671 969-2595	00050	350.00			350.00		
15125	MOTOROLA SOLUTION	671 6476140	00050	415.00	415.00				
10330	Napa Auto Parts	671 6376642/7141/	00050	596.62	596.62				
10356	National Office S	671 6465115(EMILY	00050	1646.60	272.00	1374.60			
14711	National Trading	671 6471883	00050	600.00	600.00				
12528	NEW MW Corporatio	671 6477663	00050	650.00	650.00				
14349	Options PC	671 6330263/4	00050	124.00	124.00				
11811	Pacific Daily New	671 4721736(FAEX2	00050	895.00	895.00				

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 ore the current transactions.

Budget Lifts:

Memo Date	Division	Request	Acct. No.	Annual Budget	Quarterly Budget	Used 3/31/2018	pending requisitions/PO's		Reason
3/2/2018	IT	Lift 4th	670.8617	10,000	2,500	-			Lift for BPA
3/2/2018	IT	Lift 4th	670.8524	10,000	2,500	223			Lift for BPA

Divisional Transfers:

Memo Date	Division	Request	Acct. No.		Amount	Reason
3/2/2018	IT	670.8617	670.8524		10,000.00	Tr for Parts and Accessories
2/14/2018	Maint	C32 Generator Repl/C32 Generator Overhaul/Spare C32 Generator	Procure C32 Generator		320,000.00 350,000.00 120,000.00	Needed to purchase 2 C32 Generators for Cranes

PORT AUTHORITY OF GUAM

			Crane Surcharge		9.50%	BOG 0101-330971 50.1122.BOGCRANE	
60.5851					Sinking	Bank Bal.	
Date	Description	Amount	Balance	Remarks	Fund	Amount	Date
9/30/2017	Balance Forwarded		(908,173.42)		3,926,567.26	4,883,632.60	
10/20/2017	Loan Payment	(101,426.79)	(1,009,600.21)				
10/31/2017	Pola Insurance Prem	(260,000.00)	(1,269,600.21)			204,190.30	10/4/2017
10/31/2017	Revenues	494,843.35	(774,756.86)			344,045.55	10/25/2017
10/31/2017	Depreciation	$ (66,666.67)	(841,423.53)			544.41	10/31/2017
	Pola 14 Exp 70.8390	(8,866.77)	(850,290.30)				
10/31/2017	Pola 16 Exp 70.8391	$ (13,274.48)	(863,564.78)				
	Pola 17 Exp 70.8392	$ (8,334.50)	(871,899.28)				
10/31/2017	Reserve	$ (47,010.12)	(918,909.40)		47,010.12		
	PMC	$ -	(918,909.40)				
11/20/2017	Loan Payment	(101,426.79)	(1,020,336.19)			140,800.00	11/14/2017
11/30/2017	Revenues	496,645.40	(523,690.79)			23,655.86	11/22/2017
11/30/2017	Depreciation	$ (66,666.67)	(590,357.46)			566.15	11/30/2017
	Pola 14 Exp 70.8390	(18,535.85)	(608,893.31)			468,998.64	11/30/2017
11/30/2017	Pola 16 Exp 70.8391	$ (14,875.66)	(623,768.97)				
	Pola 17 Exp 70.8392	(17,380.50)	(641,149.47)				
11/30/2017	Reserve	(47,181.31)	(688,330.78)		47,181.31		
	PMC	-	(688,330.78)				
12/20/2017	Loan Payment	(101,426.79)	(789,757.57)				
12/31/2017	Revenues	589,306.12	(200,451.45)				
12/31/2017	Depreciation	$ (66,666.67)	(267,118.12)				
	Pola 14 Exp 70.8390	(4,152.73)	(271,270.85)				
12/31/2017	Pola 16 Exp 70.8391	$ (8,209.20)	(279,480.05)			381,241.16	12/6/2017
	Pola 17 Exp 70.8392	$ (4,967.32)	(284,447.37)			185,924.31	12/20/2017
12/31/2017	Reserve	$ (55,984.08)	(340,431.45)		$ 55,984.08	23,964.24	12/29/2017
	PMC	-	(340,431.45)			683.67	12/31/2017
1/20/2018	Loan Payment	(101,426.79)	(441,858.24)				
1/31/2018	Revenues	460,338.30	18,480.06				
1/31/2018	Depreciation	$ (66,666.67)	(48,186.61)				
1/31/2018	Pola 14 Exp 70.8390	(51,670.59)	(99,857.20)			706.77	1/31/2018
1/31/2018	Pola 16 Exp 70.8391	$ (60,425.57)	(160,282.77)				
1/31/2018	Pola 17 Exp 70.8392	$ (26,388.23)	(186,671.00)				
1/31/2018	Reserve	(43,732.14)	(230,403.14)		43,732.14		
1/31/2018	PMC	$ (38,738.71)	(269,141.85)				
2/20/2018	Loan Payment	(101,426.79)	(370,568.64)				
2/28/2018	Revenues	$ 451,382.86	80,814.22				
2/28/2018	Depreciation	$ (66,666.67)	14,147.55				
2/28/2018	Pola 14 Exp 70.8390	(16,808.51)	(2,660.96)				
2/28/2018	Pola 16 Exp 70.8391	$ (13,141.30)	(15,802.26)				
2/28/2018	Pola 17 Exp 70.8392	(6,634.69)	(22,436.95)				
2/28/2018	Reserve	(42,881.37)	(65,318.32)		$ 42,881.37	638.52	2/28/2018
2/28/2018	PMC	$ (8,374.00)	(73,692.32)				
3/20/2018	Loan Payment	(101,426.79)	(175,119.11)				
3/31/2018	Revenues	494,773.15	319,654.04				
3/31/2018	Depreciation	$ (66,666.67)	252,987.37				
3/31/2018	Pola 14 Exp 70.8390	$ (19,565.44)	233,421.93				
3/31/2018	Pola 16 Exp 70.8391	$ (24,871.06)	208,550.87				
3/31/2018	Pola 17 Exp 70.8392	$ (30,030.68)	178,520.19				
3/31/2018	Reserve	$ (47,003.45)	131,516.74		$ 47,003.45	707.00	3/31/2018

PORT AUTHORITY OF GUAM

Facility Maintenance Fee Ledger

50.1122.BOGFM

60.5841

Date	Description	Debit	Credit	Balance	Remarks	BOG Balance	Date
	Balance Forward			**1,536,910.92**		**3,175,464.82**	
10/31/2017	October Revenues	155,077.64		**1,691,988.56**		338.64	10/31/2017
	61 Addtl Reefer Outlets		68,486.00	**1,623,502.56**		16,496.79	10/4/2017
	Replacement 4k gal Diesel Tank to 8k		135,000.00	**1,488,502.56**		**104,605.26**	11/14/2017
	Other Small Projects ($346,903)		346,903.00	**1,141,599.56**		**27,774.31**	11/22/2017
11/30/2017	November Revenues	133,901.10		**1,275,500.66**		**334.08**	11/30/2017
12/31/2017	December Revenues	167,148.07		**1,442,648.73**		26,449.94	12/29/2017
1/31/2018	January Revenues	140,323.02		**1,582,971.75**		**352.99**	12/31/2017
2/28/2018	February Revenues	179,205.18		**1,762,176.93**		**355.75**	1/31/2018
	Addtl-Asphalt Pavement		931,514.00	**830,662.93**		**321.44**	2/28/2018
3/31/2018	March Revenues	144,820.11		**975,483.04**		**355.91**	3/31/2018
						3,352,849.93	

UPDATE: May 24, 2018

PORT AUTHORITY OF GUAM
CONTRACT SUMARY UPDATE

No.	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments / Notes)
				PROFESSIONAL SERVICES					
1	N.C. Macario & Assoc.	A/E Design and Consulting Services	RFP-016-002	Engineering	2 years with option to renew for 1 additional year	10/07/16 to 10/06/18	10/7/2019	10/7/2019	Not to exceed $480,000.00
2	G4S	Implementation & Integration of TOS	RFP-013-004	IT	5 years	2014 to 2019	2019	2019	TO2 - $4.4Million
3	A1 - Guam WEBZ	Web Development, Hosting, Support and Maintenance Srvcs	RFP-014-006	IT	3 yrs w/ options NTE 5yr	04/03/2015 to 04/02/2018	4/2/2020	4/2/2019	Fees based on rates
4	Alan Searle	Classification Position Maintenance	RFP-014-001	HR	1 yr w/ option NTE 5 yr	06/01/14 to 05/31/15	5/31/2019	5/31/2018	$73,000.00
5	AM Insurance	Insurance Coverages	GSA/PAG-020-17	Finance	5 years	10/01/2017 to 09/30/2022	9/30/2022	9/30/2018	Premium based
6	AM Insurance	Workers Compensation Coverages	GSA-001-15	Finance	1 year - 2017 to 2018	8/1/2017 to 7/31/2018	7/31/2018	7/31/2018	$50,000.00
7	Matson	Matson-Technical Support Services	RFP-016-003	EQMR	**Extended from 5/4/2018 to 9/4/2018**	11/4/16 to 11/3/17	9/4/2018	11/3/2017	490,000.00
8	Bank of Guam	Banking Services	RFP-014-004	Finance	5 years	6/1/14 to 5/31/19	5/31/2019	5/31/2019	Fees based on rates
9	A/E New Port Admin Bldg	A/E Design and Consulting Services for New Port Admin Bldg.	RFP-017-001	Engineering	Reccomended by Legal Counsel to Cancel				CANCELLED due to unavailability of funds
10	IRIS, LTD	Risk Management Consultant	RFP-014-005	Finance	Extended to 12/31/17	11/12/14 to 11/11/17	12/31/2017	11/11/2017	Expired
11	OMEGA Safety	OSHA Training & Certification Services for Maritime Terminal Operations	RFP-017-003	Human Resources	1 yr w/options NTE 5 years	Contract Revision w/ Legal			Draft Contract at Legal for Review
12	Pacific Human Resources. Inc.	Drug Free Workplace Program	RFP-015-002	Human Resources	3 yr. w/ 2 options NTE 5 years	03/19/15 to 03/18/2018	3/18/2020	3/18/2018	Fees based on rates
13	Phillips & Bordallo	Legal Services	RFP-015-004	Corporate	1 yr w/options NTE 4 years	06/17/15 to 06/16/2016	6/16/2019	6/16/2018	Fees based on rates
14	TakeCare dba: FHP	Medical Examination Services	RFP-017-002	Human Resources	3 yr. w/ 2 options NTE 5 years	9/21/17 to 9/20/20	9/20/2022	9/20/2020	Fees based on rates
15	Pro Marine Technology	Underwater Assessment & Inspection Services	RFP-015-001	HarborMstr	2 yrs w/ 3 options NTE 5yr	07/17/15 to 07/16/2017	7/16/2020	7/17/2018	Task Order Based
16	Tristar Terminals, Inc.	M & O of F-1 Fuel Pier Facility	RFP-013-003	Engineering	5 years	04/01/14 to 03/31/19	3/31/2019	3/31/2019	Fees based on rates
17	Unitek Environmental-Guam	Environmental Consulting Services-SWPP Compliance	RFP-014-002	Engineering	1 yr w/ option NTE 5 yr	07/01/14 to 06/30/15	6/30/2019	7/1/2018	Task Order Based
18	Deloitte & Touche, LLP	Annual Independent Audit Services	RFP-015-005	Fiscal	FY15, FY16, FY17	FY15, FY16 and FY17	Completion of FY17	FY17	$45,000.00
19	Parsons Brinckerhoff	OAE - Owner Agent Engineer	RFP-015-003	Planning	1 yr w/ 4 options NTE 5 yrs	9/9/15 to 9/8/16	9/8/2020	9/8/2018	$1.38mil

UPDATE: May 24, 2018

PORT AUTHORITY OF GUAM
CONTRACT SUMARY UPDATE

No.	Consultant/Vendor	Type of Service	Solicitation Method Reference No.	Division	Contract Term	Initial Term	Expiration After Options	Next Renewal Due Date	Annual Amount (Comments / Notes)
20	Nick Captain and Assoc.	Appraisal Consulting Services	RFP-016-001	Commercial	3yrs w/2 options NTE 5yrs	4/13/16 to 4/12/19	4/12/2021	4/12/2019	Task Order Based
CONSTRUCTION CONTRACTS									
1	ProPacific Builders Corp.	CIP/Safety/Stevedore Demolition and Renovation	IFB CIP-017-001	CIP	182 calendar days	Ongoing			$349,000.00
2	Ian Corporation	Concrete Asphalt Pavement and Fire Hydrant Repairs	IFB CIP-017-002	CIP	Approx 250 calendar days	Intent to Award is Null and Void			Disqualified non-responsive
3	Korando Corporation	Concrete Asphalt Pavement and Fire Hydrant Repairs	IFB-CIP-17-002	CIP	Approx 250 calendar days	KORANDO CORP.			Pending PAG BOD resolution and PUC
4	BBR Micronesia Corp	Removal. Supply and Installation of 3 Roll up Doors and 2 side entrance doors	IFB-CIP-17-003	CIP	180 calendar days	Ongoing			$111,900.00
5	Canton Construction	Agat Marina Demolition and Removal of Dock "B"	IFB-PAG-CIP-018-001	CIP	Approx 240 days, 120 days Environmental Assessment, 120 days Demo & Removal	Notice To Proceed by CIP After Environmental Assessment Approved			$48,678.00

Port Authority of Guam
Capital Improvement Projects
Engineering Division
Summary Status

As of May 24, 2018

Project:	**Marine SLE Project, Wharf Repairs**
Project No.:	IFB No. PAG-CIP-014-005
Project Amount:	$4,541,635.00
Funding Source:	Port Authority
Contractor:	BME & Sons, Inc.
Construction Manager:	EMPSCO & Port Engineering/CIP Division
Notice to Proceed:	January 5, 2015
Project Completion:	May 17, 2016
Work Status:	Project completed. Contractor disputing Change Order No. 6. Pending status on Contractor and PAG Management.

Project:	**Design and Construct Canopies for EQMR Fleet, Drum Lot and Top Loader Area**
Project No.:	IFB No. PAG-CIP-016-001
Project Amount:	$198,000.00
Approved Change Order	$2,598.83
New Contract Amount	$200,598.83
Funding Source	Port Authority - FMF
Contractor:	Canton Construction Corporation
Construction Manager:	PAG Engineering & EQMR Manager
Notice to Proceed:	June 15, 2016
Project Completion:	February 10, 2017
Work Status:	100 % Completed -Pending new Punch list item as per G.M. site inspection 10/20/17. Canopy "C" under warranty repair. Contractor remove damage conpy fabric for repair on Dec.2, 2017. As of 03/20/18 Canton Const. will take 1 week to repair the canopy fabric. Canton Const. resume work 4/12/18 for Canopy "C" Installation of repaired canopy fabric until completion of warranty work. As of 5-24-18, Canton doing warranty work in Canopy "A".

Project:	**Container Yard Asphalt , Concrete Pavement and Fire Hydrant Valve Repairs**
Project No.:	IFB No. PAG-CIP-017-002
Project Amount:	$2,770,379.98
Funding Source:	Port Authority - FMF
Contractor:	Korando Corporation
Construction Manager:	PAG Engineering
Notice to Proceed:	To Be Determine
Project Completion:	To Be Determine
Work Status:	PAG issued intent to award to Korando Const. Contractor to submit bonding documents. Awaits PUC approval

Project:	**A/E Design Consultant Services**
Project No.:	RFP No. PAG-016-002
Project Amount:	IDIQ Contract
Funding Source:	Port Authority
A/E Consultant:	N.C. Macario & Associates
Construction Manager:	N.C. Macario & Associates
Notice to Proceed:	Sept. 30, 2016
Project Completion:	Sept. 29, 2018 w/ 1 year option to extend from PAG
Work Status:	PAG currently working Task Order No. 3 for C.M. Management for Cont. Yard Concrete/Asphalt Pavement and Fire Hydrant Repair. Procurement routing to extend contract for 1 yr.

Project:	**Design Built for the Renovation of PAG Engineering, Safety and Stevedoring Offices**
Project No.:	IFB No. PAG-CIP-017-001
Project Amount:	$349,000.00
Approved C.O. No.1	$76,l295.84
Approved C.O. No. 2	$23,720.49
New Contract Amount	$449,016.33
Funding Source:	Port Authority
Contractor:	Pro Pacific Builders Corporation
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	July 11, 2017
Project Completion:	03/22/2018
Work Status:	100% Completed. Final Invoice No. 8 routing for signature. On Hold

Project:	**Container Yard Trench Drain Repair**
Project No.:	TBD
Project Amount:	TBD
Funding Source:	TBD
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Procurement Preparing bid documents for advertisement. Bid opening on May 24,2018 @ 2:P.M. Board Room

Project:	**A/E Design Consulting Services for New Port Administration Complex**
Project No.:	RFP PAG-CIP-017-001
Project Amount:	$375,000.00
Funding Source:	Port Authority
Designer:	TBD
Construction Manager:	TBD
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Pending designation of Evaluation Committee for A/E selection.

Project:	**Supply and Install coin operated Pressure Washer in Agana Mar.**
Project No.:	RFQ
Project Amount:	$35,981.93
Funding Source:	Port Authority of Guam
Contractor:	IAN Const. Corp.
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBA
Project Completion:	4 Months
Work Status:	Procurement to cut Purchase Order for IAN Const.

Project:	**Supply and Install 4 ea. 4oft. Pole with LED Light and 12 Ea. 20ft. Alum. Pole with Solar Light at Port various location**
Project No.:	Request for Quotation
Project Amount:	$225,000.00 (Engg. Budget)
Funding Source:	PAG and Port Security Grant Program (Federal) 2016
Contractor:	TBD.
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	8 months
Work Status:	Project currently in Bid Process. Bid Conference is on My 25,2018

Project:	**Design Build toSupply and Install New 8,000 Gals. Double Wall Fuel Tank with Fuel dispenser and Complete Appurtenances**
Project No.:	TBD
Project Amount:	TBD
Funding Source:	PAG FMF
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	PAG Procurement , Engineering and Transportation Division conducted a Bid opening last 2/09/18 on this project. Four (4) bidders submitted their proposals and Pro Pacific is the Lowest bidder in the amount of $ 272,000.00 followed by Korando at $287,000.00 and IAN Const at 292,087.61. A shortfall of $160,000.00 is requested for board meeting approval from FMF budget. Awaits Procurement for P.O. .

Project:	**Harbor of Refuge Pump Station and Installation of Waste Water Injector Pump**
Project No.:	TBD
Project Amount:	TBD
Funding Source:	Dept. of Agriculture Fish and Wild Life Boating Grant
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Awaits MOU approval from Attorney General and Governor.

Project:	Harbor of Refuge Installation of Mooring Blocks
Project No.:	TBD
Project Amount:	TBD
Funding Source:	Dept. of Agriculture Fish and Wild Life Boating Grant
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Awaits MOU approval from Attorney General and Governor

Project:	Demolition of Dock "B" in AGAT Marina
Project No.:	TBD
Project Amount:	TBD
Funding Source:	Dept. of Agriculture Fish and Wild Life
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Bid Opening was conducted on April 13, 2018. Based on the initial bid amount Canton Const. Submitted the Lowest bid amount of $48,678.00 followed by IAN Const in the amount of $116,000.00 and Primo's heavy Equipment with the amount of $117,500.00. PAG Procurement to finalize review of Bid documents.

Project:	Repair of Mobil Pipeline Concrete Pipe Support and Repainting of All Fuel Pipeline Gate Valves, Flanges, Bolts and Nuts
Project No.:	Request for Quotation
Project Amount:	TBD
Funding Source:	PAG Engineering/CIP Division
Contractor:	TBD
Construction Manager:	PAG Engineering/CIP Division
Notice to Proceed:	TBD
Project Completion:	TBD
Work Status:	Procurement to Request for Quotation of Const. Companies.

FY-18 WORK INJURY REPORT
(01/01/18 to 12/31/18)

Divisions	*Lost-time	**Recordable	*** Refused Treatment
Stevedoring	2	0	0
Transportation	1	0	0
Terminal	0	0	0
EQMR	0	0	0
Others	1	0	0
Total	4	0	0

Work Injury Summary for this reporting period: 5/24/2018

Total Injuries for FY-18 to date: 4–Injury

4-- Lost-time
0 – Recordable
0 – Refused Medical Attention

Last disabling work injury was on: 5/08/18

Number of days since last disabling work injury: 16-days

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

***Lost-time** = If an employee was injured on the job and medical doctor sent him/her home, his/her injury is considered a lost-time.
****Recordable** = If an employee was injured on the job and medical doctor treated him/her and released him/her back to work on the same day (Recordable because of medical charges).
*****Refused Medical Attention:** Filed WC Forms 201 & 202 for record purposes only.

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

May 23, 2018

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: Legal Professional Services

In review of the legal billing for the month of March 2018, revealed that such billing has exceeded its budget ceiling. In accordance with the Professional Services Agreement for legal representation, Section III Compensation, the consultant's monthly billings shall not exceed the sum of $70,000.00 per month without prior written approval or subsequent ratification by the Port Board of Directors.

The following is provided:

Invoice	Amount	Variance
March 2018	$74,092.43	$4,092.43

Port legal representation is provided for cases before the Civil Service Commission, Superior Court, and Supreme Court of Guam.

At this time, management requests for Board ratification of the March 2018 legal invoice to process payment accordingly.

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

May 29, 2018

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: IT Conversion Positions

The Board of Directors at its meeting held on January 25, 2018 had authorized management to convert the positions of one (1) Help Desk Technician and one (1) Support Analyst to two (2) Computer Operator Specialist positions.

On April 19, 2018, the Board approved the mid-year budget. After the approval, it was realized that the conversion of the IT positions to the two Computer Operator Specialist positions was not reflected correctly on the mid-year budget.

Due to this oversight, Board approval is being requested to reinstate the approval of January 25, 2018 on the conversion of said positions.

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

May 29, 2018

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: Finance Division – Organizational Chart

The Finance Division is updating its Organizational Chart to properly reflect the work flow of the division. The Port Finance division is comprised of three sections, namely Revenue Accounting headed by a General Accounting Supervisor; Expense Accounting section headed by a General Accounting Supervisor; and Financial Affairs section headed by a Financial Affairs Controller.

The nature of work for Position Description of the General Accounting Supervisor states: "This is a complex supervisory and professional accounting and fiscal management work". Employees in this class serve as department/agency accounting and fiscal officer responsible for accounting, budget administration, and related fiscal functions; or assist the department/agency fiscal officer in directing the fiscal operations of a large department or agency."

The nature of work for Position Description of a Financial Affairs Controller states: "Administers the financial affairs and administrative programs and operations relative to revenue generation".

The propose Organizational Chart properly reflects the duties and responsibilities of the respective sections.

For your easy reference, attached is the Position Description for General Accounting Supervisor and Financial Affairs Controller as well as the current and proposed Organizational Chart.

Board action is being requested to adopt the proposed Organizational Chart. I am available for any questions you may have.

JOANNE M.S. BROWN

Attachments

Port of Guam, Jose D. Leon Guerrero Commercial Port is an Equal Employment Opportunity Employer.
Complaints of discrimination should be sent to the Human Resources Division.

GENERAL ACCOUNTING SUPERVISOR

NATURE OF WORK:

This is complex supervisory and professional accounting and fiscal management work.

Employees in this class serve as department/agency accounting and fiscal officer responsible for accounting, budget administration, and related fiscal functions; or assist the department/agency fiscal officer in directing the fiscal operations of a large department or agency.

ILLUSTRATIVE EXAMPLES OF WORK: (Any one position may not include all the duties listed, nor do the examples cover all duties which may be performed.)

Supervises the accounting, budget and related fiscal activities of the department/agency.

Reviews, analyzes and interprets fiscal reports, statements, and analysis; determines the validity and utility of financial records; appraises the adequacy of internal controls and the quality of accounting procedures; develops and implements new accounting techniques and establishes or modifies existing systems and procedures to provide management with data necessary for policy and program planning.

Participates in policy and program planning; provides advice in regard to projected costs, reasonable program levels, trends, revenue and expenditure estimates, and possible funding problems and solutions.

Establishes procedures and guidelines in the formulation and administration of the budget, for billing and collection activities, and other related fiscal functions.

Performs related duties as required.

MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:

Knowledge of the principles and practices of accounting.

Knowledge of the principles and practices of management.

Knowledge of electronic data programming, equipment and systems analysis.

Ability to supervise accounting, budget and related fiscal functions.

Ability to make decisions in accordance with program guidelines and requirements.

Ability to interpret and apply pertinent laws, rules and regulations and other guidelines.

Ability to analyze and interpret fiscal data and give advice regarding projected costs, reasonable program levels, trends, revenue and expenditure estimates, and possible funding problems and solutions.

Ability to design complex accounting systems and prepare complex financial records and statements.

Ability to work effectively with the public and employees.

Ability to communicate effectively, orally and in writing.

MINIMUM EXPERIENCE AND TRAINING

a) Two years of experience as an Accountant II or equivalent work and graduation from a recognize college or university with a Bachelor's degree in accounting or related field, including or supplemented by 24 semester credit hours of accounting/auditing subjects; or

b) Two years of experience as an Accountant II or equivalent work and possession of a certificate as a Certified Public Accountant obtained through written examination in a state, territory or the District of Columbia indicating the certificate number, date, place of issuance, and whether the certificate was obtained through written examination; or

c) Four years of experience as an Accountant II or equivalent work and graduation from a recognized college or university with an Associate's degree in Accounting or related field, including or supplemented by 24 semester credit hours of accounting/auditing subjects.

ESTABLISHED: August 27, 2009

PAY GRADE: MIN: M-2D MAX: M-6C

EVALUATION: 1001

FRANCISCO G. SANTOS, Chairman, Board of Directors

FINANCIAL AFFAIRS CONTROLLER

NATURE OF WORK:

Administers the financial affairs and administrative programs and operations relative to revenue generation.

ILLUSTRATIVE EXAMPLES OF WORK: (These examples do not include all duties and responsibilities which may be assigned; nor do the examples include all the duties which may be performed.)

Administers the financial affairs and administrative programs consisting of accounting, budgeting, billing and collection, procurement, payroll, property control, supply and records management.

Recommends major financial objectives and policies for the Authority; prepares financial analysis for guidance of management.

Monitors the financial status of the Agency including the investment of funds; makes analysis relative to losses and adverse financial trends and suggests remedial measures; directs preparation of budget and cash forecasts; determines depreciation rates to apply to capital items.

Designs new system or modifies existing system to provide record of assets, liabilities and financial transactions of Agency; develops, installs and maintains budgeting system which provide control of expenditures made to carry out activities.

Coordinates and responds to audit studies; advises management about insurance coverage for government protection against property losses and potential liabilities.

Formulates billing and collection requirements and procedures; directs solution to legitimate customer complaints.

Performs related duties as required.

MINIMUM KNOWLEDGE, ABILITIES AND SKILLS:

Knowledge of the principles and practices of financial management, including accounting, cash management and budgeting.

Knowledge of business practices relative to customer services, billing and collection, procurement and supply.

Knowledge of the principle and practices of management and the administrative processes.

Ability to administer financial management activities.

Ability to make decisions in accordance with program guidelines.

Ability to interpret and apply pertinent laws, rules, regulations and other guidelines.

Ability to evaluate financial analysis and suggest remedial measures for guidance of management.

Ability to work effectively with the public and employees.

Ability to communicate effectively, orally and in writing.

Ability to prepare complex financial analysis and reports.

MINIMUM EXPERIENCE AND TRAINING

a) Four years of experience in professional accounting/financial management work, one year which must have been in a supervisory capacity, and a graduation with a bachelor's degree in accounting or related field; or

b) Any equivalent combination of training and experience which provides the minimum knowledge, abilities and skills.

ESTABLISHED: August 27, 2009

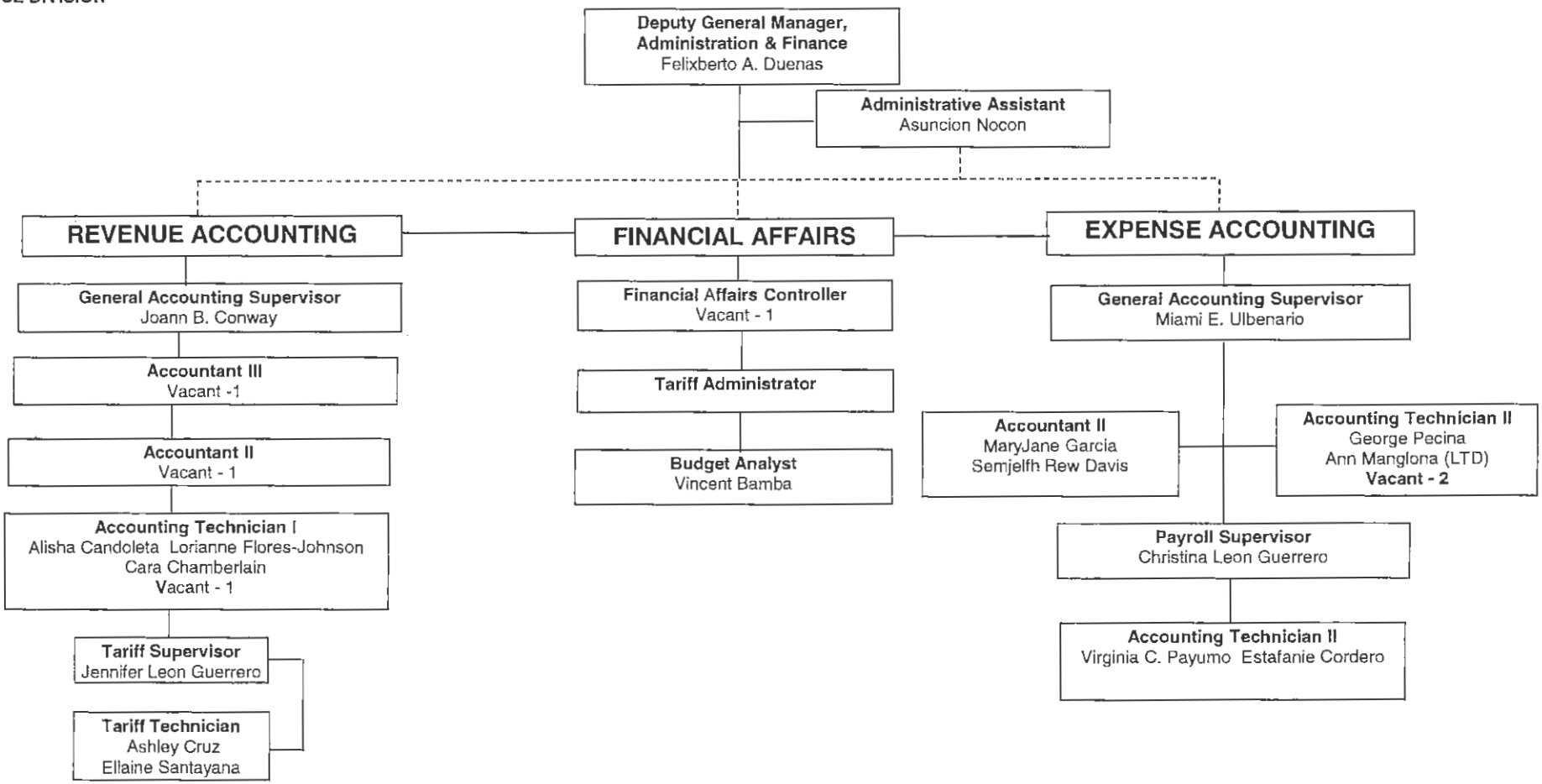
PAY GRADE: MIN: N-3B MAX: N-7A

EVALUATION: 1074

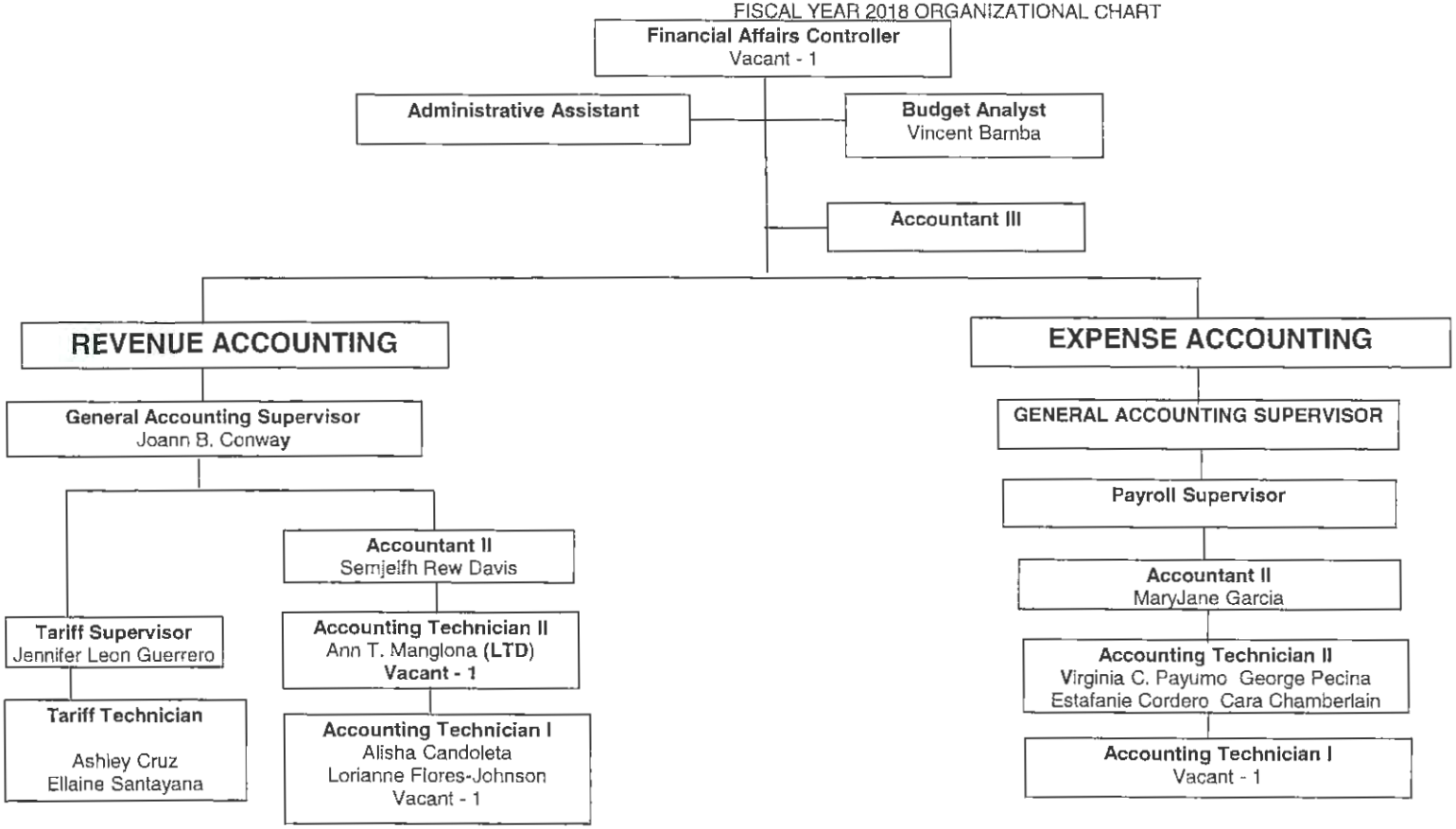
FRANCISCO G. SANTOS, Chairman, Board of Directors

PORT AUTHORITY OF GUAM
Jose D. Leon Guerrero Commerical Port
FISCAL YEAR 2018 ORGANIZATIONAL CHART

FINANCE DIVISION



PORT AUTHORITY OF GUAM
Jose D. Leon Guerrero Commerical Port
FISCAL YEAR 2018 ORGANIZATIONAL CHART



Port Authority of Guam
Board of Directors Regular Board Meeting
May 24, 2018

Executive Summary

IFB PAG-CIP – 017-002
CONTAINER YARD IMPROVEMENT PROJECT CONCRETE /ASPHALT PAVEMENT AND FIRE HYDRANT REPAIRS

PURPOSE: Request the Board of Directors to approve the award for the invitation for bid (IFB) to contract–PAG-CIP- No. 017-002 for the Container Yard Improvement Project- Concrete/ Asphalt Pavement and Fire Hydrant Repairs to the Port Authority of Guam.

BACKGROUND:
On Friday August 11, 2017, an Invitation for Bid (IFB) was issued to solicit qualified Companies/Firms/Offerors to provide construction services for the Container Yard Improvement Project-Concrete/Asphalt Pavement and Fire Hydrant Repairs to the Port Authority of Guam (PAG) by advertising on a local newspaper, the Guam Daily Post. The deadline for bid submittals was originally set on September 19, 2017 but was amended to October 24, 2017. Six (6) companies expressed their interest by registering and obtaining the IFB package. Five (5) companies officially submitted their proposals in response to the IFB.

After the opening of all sealed proposals and determining that all offerors were responsible, the lowest bid received was from Ian Construction Corporation in the amount of $1,541,535.74, but they admitted that an error had been made in their estimation due to a calculation that was based on an incorrect unit of measure. They had offered the Port an adjustment on their proposal, but because it is not allowed under Guam Local Procurement Law, Ian Construction Corporation had been deemed non-responsive. The next lowest responsive and responsible bidder was Korando Corporation, proposing an offer of $2,770,379.98.

As part of the procurement process, a Notice of Intent to Award was issued on April 4, 2018 requesting Korando Corporation to submit to the Port the payment and performance bond for this project. Takagi Insurance had forwarded a letter indicating that the said project once awarded to Korando Corporation is anticipated to be covered for up to $3,000,000.

Upon Board approval of this award, a petition will be sent to the Public Utilities Commission requesting for their review and approval.

LEGAL REVIEW:
The necessary documents pertaining to this project have been prepared and will be forwarded to and reviewed by the Port's legal counsel. Upon Board's approval of this award and legal's approval of the contract to form, the agreement will be executed by both parties, and work will commence shortly thereafter.

FINANCE REVIEW:
Funding for the contract is made possible through Local Port Funds. The Port will be charged for services agreed upon under the scope of work that is contracted for in this invitation to bid.

RECOMMENDATION:
Management requests the Board of Directors' motion to approve this award of this IFB contract to **Korando Corporation,** for a period of one hundred eighty (180) days from the notice to proceed. The offeror has been deemed to have met all the requirements set forth in the IFB and is consistent with the Guam Procurement Regulations.

BOARD OF DIRECTORS
Francisco G. Santos, Chairman
Oscar A. Calvo, Vice Chairman
Melanie R. Mendiola, Board Secretary
Maria D.R. Taitano, Member
Nathan T. Taimanglo, Member

PORT OF GUAM

Resolution No. 2018-03

RELATIVE TO THE DESIGNATION OF SIGNATORIES FOR THE PORT AUTHORITY OF GUAM

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

WHEREAS, the Port Authority of Guam (PAG) recognizes the need to implement internal controls over check signing and to update instructions to depositories so that there is a clear understanding regarding the Authority's check signing authority; and

WHEREAS, to ensure that the day-to-day operations of the Port Authority of Guam continue without disruption, management personnel must be able to access the Authority's accounts; now therefore be it

RESOLVED, that the following listed management personnel of the Port Authority of Guam are authorized, on behalf of the Authority, to sign bank checks and drafts for the withdrawal and/or transfer of funds, drawn on all financial institutions containing monies of the Authority, and to endorse and accept checks, drafts, notes, bonds, and other paper payable to and by this Authority:

Name of Employee	Position Title
1. Joanne M.S. Brown	General Manager
2. Felix R. Pangelinan	Deputy General Manager (Operations)
3. Felixberto Alfred B. Duenas	Deputy General Manager (Admin/Finance)
4. Joann B. Conway	General Accounting Supervisor

and be it further

RESOLVED, that the General Account checks written for $100,000 or less shall be signed by any two signatories from either the General Manager, Deputy General Manager (Admin/Finance), Deputy General Manager (Operations) or General Accounting Supervisor; and be it further

RESOLVED, that the checks over $100,000, the order established for manual signing will be the Deputy General Manager (Admin/Finance) as the first signatory, and the General Manager as the second signatory. In the absence of the Deputy General Manager (Admin/Finance), the General Accounting Supervisor will be the first signatory. In the absence of the General Manager, the Deputy General Manager (Operations) will be the second signatory; and be it further

RESOLVED, that payroll checks $10,000 or less will be signed by the Financial Affairs Controller. In his/her absence, the alternates would be the General Accounting Supervisor, Deputy General Manager (Admin/Finance), Deputy General Manager (Operations), or General Manager. Payroll checks over $10,000 will be manually signed by the General Manager, and be it further

RESOLVED, that the Secretary of the Board of Directors shall certify to said financial institutions licensed to do business on Guam and in conformance with all territorial banking laws and rules and regulations of the Port Authority of Guam the names of the above listed persons presently holding the office or position above stated, and from time to time shall immediately certify to said financial institutions any changes in the same; and be it further

RESOLVED, that the Secretary is authorized and directed to deliver a certified copy of this resolution to the financial institutions; and be it further

RESOLVED, that this resolution supersedes any previous resolutions concerning the administration of the Port Authority of Guam's financial accounts.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 30th DAY OF MAY, 2018.

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

MELANIE R. MENDIOLA
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

BOARD OF DIRECTORS
Francisco G. Santos, Chairman
Oscar A. Calvo, Vice Choirman
Melanie R. Mendiola, Board Secretary
Maria D.R. Taitano, Member
Nathan T. Taimanglo, Member

PORT OF GUAM

Resolution No. 2018-04

RELATIVE TO THE APPROVAL OF KORANDO CORPORATION FOR THE CONTAINER YARD IMPROVEMENT PROJECT CONCRETE/ASPHALT PAVEMENT AND FIRE HYDRANT REPAIRS

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

WHEREAS, on August 11, 2017, the Port Authority of Guam (PAG) issued an Invitation for Bid (IFB) No. PAG-CIP-017-002 to solicit construction services for the Container Yard Improvement Project Concrete/Asphalt Pavement and Fire Hydrant Repairs; and

WHEREAS, a total of five (5) firms submitted its proposal in response to the IFB and as part of the procurement process, a pre-bid conference and project site inspection was conducted; and

WHEREAS, after thorough review and evaluation of the bids, Korando Corporation has been determined to be the lowest responsive, responsible bidder for this project; and

WHEREAS, the Port Authority Board of Directors at its regular meeting of May 30, 2018 approved the contract award to Korando Corporation for IFB-PAG-CIP-017-002 for the Container Yard Improvement Project Concrete/Asphalt Pavement and Fire Hydrant Repairs; and

RESOLVED, the Prot Authority Board of Directors authorizes management to petition the Public Utilities Commission (PUC) to review and approve the contract award to Korando Corporation in accordance with the Contract Review Protocol for the Port Authority of Guam; 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.

PASSED AND ADOPTED UNANIMOUSLY BY THE BOARD OF DIRECTORS THIS 30th DAY OF MAY, 2018.

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

MELANIE R. MENDIOLA
SECRETARY, BOARD OF DIRECTORS
PORT AUTHORITY OF GUAM

PORT OF GUAM
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Website: *www.portguam.com*

Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

BOARD POLICY MEMORANDUM NO. 2018-02

To: All Division Heads	Subject: Facility and Equipment Safety Color Code
Effective Date: MAY 30, 2018	
Approved By: FRANCISCO G. SANTOS, Chairman, Board of Directors	
All revisions are marked with an asterisk (*)	

REFERENCE:

A. 29 CFR 1910.144 – Safety Color Code for Marking Physical Hazards
B. ANSI Z535.1-2017 – American National Standard Institute for Safety Color Codes

I. PURPOSE AND STANDARD:

A. The purpose of these rules is to establish a standard for safety colors policy within the Port terminal, facilities and properties that will alert and inform persons to take precautionary action and other appropriate actions in the presence of a hazard.
B. Safety colors are often used to supplement a word message or safety symbol. The standardization of safety colors assists with the efficient development of safety information as well as assisting viewers in recognizing information as being related to safety.
C. This standard provides a system for specifying safety colors used on safety signs, labels, tags, facilities, vehicles, and equipments. It is beyond the scope of this standard to provide in-depth instructions for color measurement. It is beyond the scope of this standard to address the color of safety sign, label, tag, facility, vehicle, or equipment substrates.

II. DEFINITIONS:

A. *Authority* means the Port Authority of Guam.
B. *Board* means the Board of Directors of the Authority.
C. CIP – Capital Improvement Projects
D. *Power Industrial Trucks* (PIT) means any mobile power-propelled truck used to carry, push, pull, lift, stack or tier materials. Powered industrial trucks can be ridden or controlled by walking operator. Earth moving and over the road haulage trucks are not included in the definition. Equipment that was designed to move earth but has been modified to accept forks are also included.
E. *Port Facilities* means channels, waterways, basins, seawalls, docks, piers, land areas, utilities, warehouses, cargo handling machinery and equipment, tugboats, barges, fire boats and other

works, properties, structures or other facilities necessary for the development or operation of the Port of Guam and recreational boating facilities of Guam.

F. *Terminal* means berthing locations and adjacent storage, areas, and structures associated with the primary movement of cargoes or materials from vessel to shore or shore to vessel; structures devoted to receiving, handling, holding, consolidating, loading or delivering to waterborne shipments and passengers; and areas devoted to the maintenance of the terminal facilities and cargo handling equipment of the Port Authority of Guam.

G. *Properties* means any and all real estate belonging to the Port Authority of Guam.

III. RESPONSIBILITIES:

A. Safety Office – To assist with facility and equipment maintenance in identifying all physical hazards and those identified are properly color coded.

B. Facility Maintenance – With the assistance of Safety Office, to identify all physical hazards within the Port terminal and its properties are properly color coded.

C. Equipment Maintenance – With the assistance of Safety Office, to identify all equipments and vehicles within the Port Fleet are properly color coded.

IV. SAFETY COLOR IDENTIFICATION:

1. **RED** – The color red is used on any safety signs, labels, or other objects to signify danger or to alert people that they need to stop. It is also used to identify all types of fire apparatuses. Example of color red: Stop Sign, Emergency Stop Button, Fire Hydrant, Fire Connection, Fire Lane, Fire Extinguisher, Exit Sign.

2. **YELLOW** – Anywhere that caution needs to be used, the color yellow should be primary on the signs or labels alerting people to act. Similar to OSHA, this includes risks of tripping, falling, getting burned, being caught in a pinch point, experiencing hearing damage, and almost any other common hazard that may be present. Example of color yellow: Bollards, uneven walking surface, Powered Industrial Trucks.

3. **GREEN** – The color green is used to alert people to the presence of an emergency egress. This is important for helping people escape from an area if they need to. Green is also used according to the American National Standard Institute (ANSI) to identify where first aid and other types of safety equipment are kept. Example of color green: Escape routes sign, First Aid Kit, Emergency Eye/Shower Wash.

4. **BLUE** –The color blue on signs and labels that provide information about a particular item or area. This information does not necessarily have to be safety related. Example of color blue: Disability Parking sign and stall, Blue reflector marker fire hydrant location.

5. **WHITE/BLACK** – The color white/black on signs and label are used for guiding traffic or telling people which direction to go. These colors can also be for housekeeping information in the facility. White is not specifically safety related, having this type of signage can directly improve safety of the facility. The color white will also identify vehicles and equipments that carry passenger within the terminal. Example of color white/black: Speed limit sign, Do Not Enter sign, Travel lane dividers, golf carts, pickups, sedans, vans.

V. PROCEDURE FOR PROCUREMENT:

A. Purchase of new items or equipments that meets the safety color code must be included in the purchase.
B. Used items or equipments may not meet the safety color code upon purchase, but the Port must meet the safety color code upon receipt.
C. Purchase of safety color code paint must meet the safety standards.

VI. ACTION:

A. Management shall support this Policy Memorandum to ensure that all Physical Hazards are properly identified and painted.
B. Facility and Equipment Maintenance Superintendent shall budget, maintain records, installation, painting and monitoring the procurement and issuance of signage, labels, tags, paints, materials and equipment. They shall advise management of compliance of this policy memorandum with recommendations for cost savings and improvements. They shall assist in updating the policy memorandum if necessary.
C. Safety shall monitor and record all physical hazards within the Port terminal and its properties that they are properly marked according to its designated safety color code. Safety shall maintain and update this policy memorandum if necessary.
D. Equipment Service Support, Manager and Transportation Superintendent shall ensure that all safety color codes are met in all specifications of new equipment or vehicles.
E. Engineer Manager and Facility Superintendent shall ensure that all safety color codes are met in all CIP projects specifications.

PORT AUTHORITY OF GUAM
FINANCIAL MANAGEMENT
POLICY AND PROCEDURES

FEMA



BOARD POLICY MEMORANDUM NO. 2018 - 03

Effective Date: May 30, 2018	**Subject: PAG Financial Management Policy and Procedures**
Adopted By PAG Board of Directors:	
FRANCISCO G. SANTOS **Board Chairman**	

Port Authority of Guam

Financial Management Policy and Procedures

Summary

The Port Authority of Guam (PAG) **Financial Management Policy and Procedures (FMPP)** is a guide to how the PAG will conduct its programmatic and financial management responsibilities in the planning, development, applying, acquisition, oversight, execution, and overall administration of all US Department of Homeland Security (DHS) and Federal Emergency Management Agency (FEMA) grants.

Since the terrorist attacks to our nation on September 11, 2001, Congress increased focus and assistance to state and local jurisdictions by establishing and authorizing DHS to administer federal homeland security grant programs. Administered by different DHS entities, the grant programs addressed preparedness, mitigation, response, and recovery activities that PAG can apply for and acquire funding to enhance its emergency management and response capabilities. **Since 2003, DHS has awarded over $31 Billion in grants to state and local governments.**

One of these grant opportunities is the Port Security Grant Program (PSGP). The PAG has been proactive and very aggressive in its efforts to competitively apply for and acquire funding from the PSGP. Since 2007, the PAG has been awarded over $11.82 Million in projects that has enhanced its core capabilities, bolster its port resiliency, and improved its maritime and port security posture.

As stewards of the public funds that has been entrusted to FEMA, the PAG shares this fiduciary responsibility through prioritization of projects, sound calculated planning, and accurate financial management, control, and disbursement of funds.

Although the FMPP was developed to ensure that FEMA taxpayer dollars are used for the purposes for which they were initially proposed and awarded, it is also being used as a guidance for any and all Federal grants acquired by the PAG. Patterned after the Federal Financial Management Guide, it serves as the primary reference and day-to-day management tool in all programmatic and financial activities that the PAG undertakes.

Francisco G. Santos
Chairman

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Chapter 1: Introduction

What is the purpose of the PAG FMPP?

The FMPP is intended to be used for the management of PSGP awards administered by FEMA's Grants Program Directorate (GPD) in conjunction with references to the polices and guidance issued by the Office of Management and Budget (OMB) through circulars and government- wide common rules applicable to grants and cooperative agreements, program guidelines, application kits, special conditions, terms and conditions, GPD information bulletins, and DHS policy, regulations and statutes.

On December 26, 2013, OMB issued new guidance that provides a government-wide framework for grants management. The new guidance, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. Part 200), streamlines the Federal Government's administrative, cost, and audit requirements, and has been adopted on December 19, 2014 and implemented on December 26, 2014 by DHS/FEMA.

Unless prohibited by law, the costs of audits made in accordance with the provisions of this requirement are allowable charges to FEMA awards. The charges may be considered a direct cost or an allocated indirect cost, as determined in accordance with the provisions of applicable OMB cost principles circulars, the Federal Acquisition Regulation (FAR) (48CFR parts 30 and 31), or other applicable cost principles or regulations.

PAG records will be made available and complete for review or audit by appropriate officials or representatives of FEMA, pass-through entity, and Government Accountability Office (GAO). These organizations will have financial and compliance audits conducted by qualified individuals who are organizationally, personally, and externally independent from those who authorize the expenditure of Federal funds to ensure that there is no conflict of interest or appearance of conflict of interest.

The cost of auditing a non-Federal entity that has Federal awards expended of less than $500,000 per year and is thereby exempted under the A-133 requirement may not charge such costs to its Federal award(s).

Who is the FMPP designed for?

This document is provided for the use of the PAG in the administration of its PSGP grant funds. It serves as the primary reference for financial management and grants administration.

Individuals who may use the FMPP include, but are not limited to: administrators, program managers, financial management specialists, grants management specialists, accountants, and auditors. These individuals are to use the FMPP as a programmatic and financial policy reference in executing their duties under FEMA-funded programs and projects. Additionally, the document is structured to serve as a training manual for new employees.

Chapter 2: The Application Process

Notice of Funding Availability/Announcements

A compilation of available assistance programs may be found in the Catalog of Federal Domestic Assistance (CFDA) at www.cfda.gov. GPD grant program announcements can also be found at Grants.Gov (www.grants.gov) websites or by contacting the Centralized Scheduling Information Desk (CSID) at 1-800-368-6498 or Askcsid@dhs.gov . The websites provides the PAG, at minimum, a link to the full application kit and online application system.

The following kinds of information can be found in the program guidance/solicitation packages for each specific program:

- Authorization
- Objectives
- Use and Restrictions
- Eligibility - Eligible applicants will be detailed in each program guidance/solicitation package released for funding. Formula funds are generally awarded to the State Administrative Agency (SAA), which may, in turn, subgrant funding to units of local government and nonprofit organizations, based upon statutory authority. (See appropriate specific program guidelines for eligibility.) Discretionary awards may also be awarded to States, units of local government, Indian tribes and tribal organizations, individuals, educational institutions, hospitals, and private nonprofit and private commercial organizations (if legislation allows) at the discretion of the GPD.
- Match Requirements
- Program Description
- Funding Availability
- Program Specific Requirements
- Application Deadlines
- Application Requirements
- Application Forms
- Reporting Requirements

Application Review

SF 424 Analysis:

GPD examines information contained in the Application for Federal Assistance (SF 424) to ascertain the following information:

- ***Employer Identification Number (EIN).*** This number includes the PAG's employer identification numbers (EIN)
- The SF 424 includes a question about whether there is Federal debt. This kind of debt is defined to include delinquent audit disallowances, loans, and taxes.
- ***DUNS number.*** All PAG grant applications have a Dun & Bradstreet (D&B) Data Universal Numbering System (DUNS) number in order to apply for Federal financial assistance. Organizations may receive a DUNS number at no cost by

calling the toll-free DUNS Number request line at 1-866-705-5711. *Individuals* who apply for grant awards or cooperative agreements from the Federal government are *exempt* from this requirement.

***Financial Capability and Fiscal Integrity*:**

A preliminary assessment of the applicant's financial capability, including the applicant's accounting system and operations, will be completed to ensure that if Federal funds are awarded, the funds will be expended in a judicious manner. Where a nongovernmental applicant (except public colleges, universities, and hospitals) has never received an award, the organization's accounting system will be reviewed prior to award or within a reasonable time thereafter to assure its adequacy and acceptability. This review may also apply where known financial or management deficiencies appear to exist. The results of the review will determine the action to be taken by the awarding agency with regard to the award, i.e. additional reporting or monitoring requirements. Where an applicant has had prior awards, outstanding audit issues and delinquent audit, financial, or progress reports will be resolved prior to awarding additional discretionary funds.

The awarding agency will obtain credit reports before making awards to new Grantees or to those Subgrantees with poor past performance records. Also, the awarding agency may obtain credit reports on any applicant when there is reason to believe that performance is substandard or there is evidence of financial irregularities. If this preliminary assessment indicates that an applicant may be of higher risk, the GPD may impose additional monitoring and/or reporting requirements.

GPD will also take the following information into account when considering the application for award: 1) past grant history, 2) audit reports, and 3) financial and performance report submission.

Technical Review

Awards that are made through a competitive review process will undergo a "peer review". Applications that meet the minimum requirements identified in the program guidance will move forward and be reviewed by a panel(s) of subject matter experts. The subject matter experts will then score and may rank the applications or make recommendations for funding to GPD.

Cost Analysis

GPD may conduct a cost analysis of each project application considered for funding. This cost analysis includes obtaining cost breakdowns, verifying cost data, evaluating specific elements of costs, and examining data to determine the necessity, reasonableness, allowability, allocability, and appropriateness of the proposed cost. The form and extent of such an analysis will be determined by GPD based on the level and type of funding. Each program guidance package will specify when/if a cost analysis will be completed and the type of cost information required.

Chapter 3: The Award Process

The Award Document

After completing the internal review process, project applications designated for approval are formally awarded through the issuance of an Award Document.

This document includes:

- Name and address of PAG;
- Date of award;
- Project/performance period;
- Vendor/PAG number;
- Amount of Federal funds;
- Award/agreement number;
- Method of payment; and
- Terms and conditions, as appropriate, that the PAG will meet if the award is accepted.

Notification of the award will be made electronically. Instructions will be provided on how to accept the award. All correspondence concerning the award should refer to the ***designated award/agreement number*** shown on the Award Document.

Acceptance of Award and Conditions

The Award Document constitutes the operative document obligating and reserving FEMA funds for use by the PAG in executing the program or project covered by the award. Acceptance of a FEMA award of funds means that the PAG agrees to abide by all applicable laws, regulations, program guidance and special conditions. This obligation may be voided without further cause if the PAG fails to accept the award in a timely manner.

All awards will include terms and conditions that include requirements concerning compliance with this FMPP and compliance with the audit requirements. A number of other standard or special conditions may be attached to the award. ***The PAG is aware of the urgency to carefully review and understand all terms and conditions of the award prior to award acceptance. Furthermore, the PAG is also aware that failure to comply with these terms and conditions may result in disallowance of costs and recovery of funds and/or suspension or termination of funds and/or award.***

If the PAG materially fails to comply with the terms and conditions of an award, whether stated in a Federal statute, regulation, assurance, application, or notice of award, GPD may take one or more of the following actions, as appropriate in the circumstances.

1. Temporarily withhold cash payments pending correction of the deficiency by the PAG.
2. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.

3. Wholly or partly suspend or terminate the current award.
4. Withhold further awards for the project or program.
5. Take other remedies that may be legally available.

Types of Financial Assistance: Grant or Cooperative Agreement

Grants are awarded to States, units of local government, or private organizations at the discretion of the awarding agency or on the basis of a formula. Grants are used to support a public purpose.

Cooperative Agreements are awarded to States, units of local government, or private organizations at the discretion of the awarding agency. Like grants, cooperative agreements are also used to support a public purpose. Cooperative agreements are utilized when substantial involvement is anticipated between the awarding agency and the PAG during performance of the contemplated activity.

Planning and Implementing Award Programs

Planning Prior to Award

Sound planning practices, both before and after grant awards, are critical to the progress and success of GPD program initiatives. Pre-planning strategies, such as the use of calendars and tickler files and their use through all planning phases, contribute towards program success.

It is imperative that GPD grant applicants not wait until they receive an award to start planning how funds will be spent. Many grant programs require state and local jurisdictions to develop Homeland Security Strategic Plans, as well as descriptions of firefighting and emergency response needs, to which all allocations of grant funds will be tied. (Refer to specific grant program guidelines for requirements.)

The PAG has employed pre-planning strategies, to include such activities as threat and vulnerability assessments, needs assessments, and gap analyses prior to making an application for a grant award. Based upon the results of these activities, priorities for funding were introduced and subsequently endorsed by PAG Management and the Guam Area Maritime Security Committee. The priorities were enforced and established. The PAG leveraged all relevant funding and resources from multiple sources wherever possible that will support and sustain program efforts. Program budgets were developed in a manner that maximizes all resources, not restrictive to Federal funding alone, avoids duplication of spending, help achieve identified priorities, and account for expenditures.

Chapter 4: Managing Federal Funds

Financial Management System Requirements

The PAG is required to establish and maintain accounting systems and financial records to accurately account for funds awarded to them. These records will include both FEMA funds and all matching funds of State, local, and private organizations, when applicable. The PAG will expend and account for grant funds in accordance with Guam laws and procedures for expending and accounting for its own funds. Although currently not applicable to the PAG, Subgrantees will follow the financial management requirements imposed on them by the local government, which will comply with the requirements GPD has imposed on all jurisdictions.

Funds specifically budgeted and/or received for one project may not be used to support another without prior written approval from FEMA. Where the PAG's accounting system cannot comply with this requirement, the PAG will establish a system to provide adequate fund accountability for each project it has been awarded.

Where the conduct of a program or one of its components is delegated to a Subgrantee, the PAG is responsible for all aspects of the program, including proper accounting and financial recordkeeping by the Subgrantees. Responsibilities include the accounting of receipts and expenditures, cash management, maintenance of adequate financial records, and refunding expenditures disallowed by audits.

Although the PAG does not have any Subgrantee, the aforementioned is included as reference.

PAG Accounting Responsibilities

- ***Reviewing Financial Operations*** – The PAG must be familiar with, and periodically monitor financial operations, records, systems, and procedures. Particular attention should be directed to the maintenance of current financial data.
- ***Recording Financial Activities*** - The PAG's award or contract obligation, as well as cash advances and other financial activities, must be recorded in the books of the PAG in summary form. Expenditures must be recorded on the PAG's books or evidenced by report forms duly filed. Non-Federal contributions applied to programs or projects must likewise be recorded, as well as any program income resulting from program operations. All financial records will validate expenditures related to the respective grant(s).
- ***Budgeting and Budget Review*** - The PAG will ensure that it prepares an adequate budget on which its award commitment will be based. The detail of each project budget should be maintained on file.
- ***Accounting for Non-Federal Contributions*** – The PAG will ensure that the requirements, limitations, and regulations pertinent to non-Federal contributions are applied.
- ***Audit Requirements*** – The PAG will ensure that it has met the necessary audit requirements contained in this Guide.

- ***Reporting Irregularities*** – The PAG will promptly notify FEMA and the Federal cognizant audit agency of any illegal acts or irregularities and of proposed and actual actions, if any. Illegal acts and irregularities include conflicts of interest, falsification of records or reports, and misappropriation of funds or other assets. Should the PAG become aware of any criminal activity related to Federal assistance, these criminal acts should be reported to the appropriate law enforcement agency.
- ***Debarred and Suspended Organizations*** – The PAG will not award or permit any award at any level to any party that is debarred or suspended from participation in Federal assistance programs.
- ***Bonding*** – FEMA may require adequate fidelity bond coverage where the PAG lacks sufficient coverage to protect the Federal government interest (see OMB Circular A-110, Subpart C, paragraph 21(c) and OMB Circular A-122). Where the conduct of a program or one of its components is delegated, the PAG is responsible for all aspects of the program, including proper accounting and financial recordkeeping. Responsibilities include accounting for receipts and expenditures, cash management, maintaining adequate financial records, and refunding expenditures disallowed by audits.

Commingling of Funds

FEMA will not require physical segregation of cash deposits or the establishment of any eligibility requirements for funds that are provided to the PAG. However, the PAG's accounting system will ensure that FEMA funds are not commingled with funds from other awards or Federal agencies. Each award will be accounted for separately. The PAG is prohibited from commingling funds on either a program-by-program or project-by-project basis without prior written approval of the awarding agency.

Monitoring Project Performance

PAG Responsibilities:

The PAG has full responsibility for the conduct of the project or activity supported and for the results achieved. The PAG will monitor the performance of the project to assure adherence to performance goals, time schedules or other requirements as appropriate to the project or the terms of the agreement. If applicable in the future, the PAG is responsible for monitoring the activities of and pass-through requirements to any Subgrantees.

Federal (FEMA) Responsibilities:

It is FEMA's practice to limit involvement between itself and the PAG in the performance of a project to the minimum necessary to achieve program objectives and to ensure conformance with requirements of the grant. The Federal role is that of a partner, where the Government provides the financial assistance and the PAG carries out the project activities. In the case of a cooperative agreement, substantial involvement is expected between the Federal agency and the State, local government, or the PAG when carrying out the activity contemplated in the agreement.

Monitoring is a process whereby the programmatic progress and financial and business management aspects of a financial assistance award are reviewed by assessing information gathered from program and financial reports, site visits, teleconferences, and other means. FEMA requires financial assistance to the PAG to have adequate management systems to ensure that project objectives are met and funds are spent and accounted for properly. To the extent possible, financial assistance award monitors rely on the management systems of the PAG to meet project objectives, comply with award terms and conditions, and account for funds.

Conflicts of Interest

To avoid conflicts of interest, personnel and other officials connected with FEMA funded programs will adhere to the following FEMA requirements imposed to all state, local, and tribal jurisdictions:

No official or employee of a State or unit of local government or a non-governmental Grantee or Subgrantee will participate personally through decisions, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise in any proceeding, application, request for a ruling or other determination, contract, award, cooperative agreement, claim, controversy, or other particular matter in which award funds (including program income or other funds generated by Federally funded activities) are used, where to his/her knowledge, he/she or his/her immediate family, partners, organization other than a public agency in which he/she is serving as an officer, director, trustee, partner, or employee, or any person or organization with whom he/she is negotiating or has any arrangement concerning prospective employment, has a financial interest, or has less than an arms-length transaction.

In the use of FEMA project funds, officials or employees of State or local units of government and non-governmental Grantees or Subgrantees will avoid any action that might result in, or create the appearance of:

- Using his or her official position for private gain;
- Giving preferential treatment to any person;
- Losing complete independence or impartiality;
- Making an official decision outside official channels; or
- Affecting adversely the confidence of the public in the integrity of the government or the program. For example, where the PAG makes sub-awards under any competitive process and an actual conflict or an appearance of a conflict of interest exists, the person for whom the actual or apparent conflict of interest exists should recuse himself or herself not only from reviewing the application for which the conflict exists, but also from the evaluation of all competing applications.

Violations of the conflict of interest standards may result in criminal, civil, or administrative penalties.

Supplanting

The PAG will not replace funding appropriated from its resources or from the Government of Guam with its FEMA grant funding. It is the purpose of these grants to increase the overall amount of resources available to any GPD funded organization in order to bolster preparedness and to increase services and opportunities. Current levels of activities or programs funded by the State, local or non-governmental entity resources should only be

increased by receipt of FEMA funding. The PAG therefore will ensure that it does not reduce the current overall level of funding support to preparedness missions, absent exigent circumstances.

For example, if the PAG pays the salaries of three intelligence analysts, it cannot begin to pay the salary of one of them with FEMA grant funding. It could, however, hire a fourth analyst.

Potential supplanting will be the subject of application review, as well as pre-award review, post-award monitoring, and audit. If there is a potential presence of supplanting, the PAG will be required to supply documentation demonstrating that the reduction in non-FEMA resources occurred for reasons other than the receipt or expected receipt of Federal funds.

A confirmation during the application process may be requested from the PAG stating that FEMA funds will not be used to supplant State or local funds.

Chapter 5: Payments

The method used to request grant funds may be different depending on the grant program. Information on how to access grant funds is provided to the PAG in the program guidance and/or post award instructions. For assistance in determining the method to be used for payment requests, the PAG can contact the Office of Grant Operations at 1-866-9ASK-OGO or ASK-OGO@DHS.GOV.

Request for Advance/Reimbursement

The PAG generally request funds based upon immediate disbursement requirements. Funds will not be paid in a lump sum, but rather disbursed over time as project costs are incurred or anticipated. The PAG will time its drawdown requests to ensure that Federal cash on hand is the minimum needed for disbursements to be made immediately or within a few days. **Beginning with fiscal year 2005 funds, the PAG may elect to drawdown funds up to 120 days prior to expenditure/disbursement.** However, GPD strongly encourages the PAG to draw down funds as close to expenditure as possible to avoid accruing interest.

Although it does not apply to the PAG. Fund requests from Subgrantees create a continuing cash demand on award balances of the State. The State should keep in mind that idle funds in the hands of Subgrantees will impair the goals of sound cash management. The PAG will develop procedures for the disbursement of funds to ensure that FEMA cash on hand is kept at a minimal balance.

Withholding of Funds

GPD may withhold payments to the PAG after proper notification or opportunity to remedy, by demonstrating any of the following:

1. Unwillingness or inability to attain program or project goals or to establish procedures that will minimize the time elapsing between cash drawdowns and expenditures;
2. Inability to adhere to guideline requirements or special conditions;
3. Improper award and administration of subawards or contracts; and
4. Inability to submit reliable and/or timely reports.

Cash Management Improvement Act of 1990

The Cash Management Improvement Act (CMIA) provides the general rules and procedures for the efficient transfer of Federal financial assistance between the Federal government and the States. Under this Act, States are no longer exempt from payment of interest to the Federal government resulting from drawing down funds prior to the need to pay off obligations incurred. States will pay interest in the event that the States draw down funds before the funds are needed to pay for program expenses.

Please note: Although the PAG may draw down funds up to 120 days in advance of expenditure, **it is still subject to the interest requirements** of the CMIA and its implementing regulations at 31 C.F.R. Part 205. Interest under CMIA will accrue from the time Federal funds are credited to a State account until the time the State pays out the

funds for program purposes. The PAG should request funds based on an immediate cash needs basis.

Interest

The PAG will minimize the time elapsing between the transfer and disbursement of funds.

1. A State, its Subgrantees and any agency or instrumentality of a State, including State institutions of higher education and State hospitals, but not political subdivisions of a State (cities, towns, counties, and special districts created by State law) WILL NOT be held accountable for interest earned on grant money pending its disbursement for program purposes. This refers to formula grant programs where subawards are made to local jurisdictions. Subgrantees under formula grant programs are held accountable for interest earned on advances.
2. All local units of government (political subdivisions of a State, including cities, towns, counties and special districts created by State law) will account for interest earned on Federal funds. Local units of government may keep interest earned on Federal grant funds up to $100 PER FEDERAL FISCAL YEAR. This maximum limit is not per award; it is inclusive of all interest earned as a result of all Federal grant program funds received per year.

Chapter 6: Obligation and Expenditures

Obligation of Funds

Obligations are a legal liability to pay, under a grant, subgrant, and/or contract, determinable sums for services or goods incurred during the grant period. This includes, but is not limited to, amounts of orders placed, contracts and grants awarded, services received and similar transactions that require payment by the PAG during the same or a future period.

Period of Availability

The award period is the period of time when FEMA funding is available for obligation by the PAG. The PAG may charge to the grant only allowable costs resulting from obligations incurred during the funding period and any pre-award costs authorized by GPD. An obligation occurs when funds are encumbered, such as in a valid purchase order or requisition to cover the cost of purchasing an authorized item on or after the begin date and up to the last day of the grant period in the award. Any funds not properly obligated by the PAG within the grant award period will lapse and revert to GPD. The obligation deadline is the last day of the grant award period unless otherwise stipulated. The obligation period is the same as the award period listed on the award document. No additional obligations can be incurred after the end of the grant.

Example: If the award period is 10/1/04 to 9/30/05, the obligation deadline is 9/30/05.

Expenditure of Funds

If the PAG properly obligates funds by the end of the award period, it will have 90 days in which to liquidate (expend) these funds. Any funds not liquidated at the end of the 90-day period will lapse and may revert to GPD, unless an adjustment extending the liquidation period has been approved. Refer to Chapter 8 for more information regarding extensions.

Example: If the award period is 10/1/2004 to 9/30/2005, then all funds obligated by 9/30/2005 will be liquidated/expended by 12/29/2005.

Suspension and Termination

GPD may terminate any project, in whole or in part, for the convenience of the Government or when the PAG materially fails to comply with the terms and conditions of an award. This includes unauthorized use of payment access codes by someone other than the PAG's POC of record, or when the PAG and GPD agree to do so. In the event that the decision has been made to terminate a project, GPD will:

1. Notify the PAG in writing of its decision;
2. Specify the reason; and
3. Afford the PAG a reasonable time to offer a remedy or to terminate project operations.

A project that is terminated will be subject to the same requirements regarding audit, recordkeeping, and submission of reports as a project that runs for the duration of the project period. Upon notification, no new obligations may be made against the award.

Chapter 7: Grant Reporting

GPD requires the PAG to submit both financial and program reports. These reports describe the status of the funds, the status of the project, a comparison of actual accomplishments to the objectives, the reason(s) goals have not been met, and/or other pertinent information. The specific requirements, reporting periods and submission deadlines are detailed in the program guidance and/or terms and conditions of the award. ***Future awards, fund drawdowns, and modification approvals may be withheld if financial and program reports are delinquent.***

Financial Reporting

Generally, GPD requires the PAG to submit a quarterly Financial Status Report (SF 269a) for each active grant award. These reports are due 30 days after the end of the calendar quarter. Financial reporting requirements may vary for GPD grant programs; therefore, for specific reporting instructions on a given grant program, please refer to the program guidance for information regarding the report to be submitted, the frequency of reporting and the deadline for submission of the report.

The SF269a quarterly Financial Status Report will be submitted on-line using the Payment & Reporting System (PARS). The link to submit this report is https://isource.fema.gov/sf269/execute/Home. For assistance using this system, the PAG can contact the PARS PAG Help Desk at 1-888-457-3362.

Programmatic Reporting

All PSGP funds require that the PAG report on the performance and progress of grant activities. Reporting requirements may vary in format and in time frame, so reference is recommended to the specific guidance for each program for full details on the required program report(s).

The PAG is required to submit the semi-annual Categorical Assistance Progress Report (CAPR). This report will be submitted on-line using ND Grants. The link to submit this report is https://portal.fema.gov/famsVuWeb/home. For assistance using this system, PAGs may contact the GMD Help Desk at 1-887-611-4700.

Chapter 8: Adjustments to Awards

Modifications and Revisions (including Grant Adjustment Notices)

All requests for programmatic and/or administrative changes will be submitted in a timely manner by the PAG. All requests for changes to the approved award will be carefully reviewed by the applicable authority for both consistency with this Guide and their contribution to the project goals and objectives.

Notification of Changes

The PAG will give notification in writing to GPD of events or proposed changes that may require an adjustment/notification. In requesting an adjustment, the PAG will set forth the reasons and basis for the proposed change and any other data deemed helpful for GPD review. PAG requests will be reviewed by GPD and approval of these changes, if granted, will be provided in writing. ***Requests for adjustments will be considered only if the reporting requirements are current and terms and conditions have been met at the time the request for the adjustment is made.***

Types of Adjustments:

- Change of Address – The PAG is required to notify GPD of changes to their mailing address.
- Changes in Award Period – The PAG may request an extension of the award/obligation and expenditure period. Written requests should be at least 90 calendar days before the end date of the award. A narrative justification will be submitted with the project or program extension request on agency letterhead. Complete details will be provided, including the justification and the extraordinary circumstances that require the proposed extension, and a certification that there are adequate funds remaining to support the extension. Explain the effect of a denial of the request on the project or program.
- Changes in Scope - Change in the scope of the programmatic activities or purpose of the project.
- Change in project site.
- Changes that increase or decrease the total cost of the project.
- Change in approved budget categories in excess of 10 percent of the total award amount - Movement of dollars between approved budget categories is allowed up to 10 percent of the total budget cost (total award amount) as last approved by GPD, provided there is no change in project scope. When the cumulative changes exceed 10 percent of the total award amount (includes the initial award plus the supplements) or change the scope of the project, prior approval from GPD is required. This 10 percent rule applies to awards over $100,000; however, if the total award is equal to or less than $100,000, and the scope of the project doesn't change, prior approval is not required unless otherwise required in the program guidance or award documents.
- Change in or temporary absence of the project manager/director.
- Transfer of project.
- Successor in interest and name change agreements.
- Addition of an item to the project budget requiring prior approval.

- Retirement of special conditions, if required.
- Changes in key personnel, if any are specified by the special conditions.
- Change of State Administrative Agency (SAA) - Should the Governor of a state elect to change the SAA during the grant period, the current SAA will close-out the grant(s) that are transferring to the new SAA prior to any funds being transferred to the newly designated SAA. The close-out information will include, at minimum, a final Financial Status Report (SF-269a) and a final program report. It is GPD policy that these funds will not be awarded to the newly designated SAA prior to close-out of the original award. States are responsible for working with their vendors to obtain final expenditure reports, invoices, payment requests, etc. in a timely manner in order to assist in the transfer of funds to the new SAA. Once the close-out information has been submitted to GPD, the newly designated SAA will be permitted to apply for the remaining funds through the Grants Management System.

Chapter 9: Other Program Funds

Program Income

Program income is potential gross income earned by the PAG that is directly generated by a supported activity or earned as a result of the program. Program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under FEMA funded projects, the sale of commodities or items fabricated under an award, license fees and royalties on patents and copyrights, and interest on loans made with award funds. For example, if the purpose of the grant is to conduct conferences, any training fees that are generated would be considered program income. Interest earned on advances of FEMA is **not** program income.

Accounting for and Reporting Program Income

Program income earned during the project period will be retained by the PAG and, in accordance with OMB regulations or the terms and conditions of the award, will be used and accounted for in one or more of the following ways.

1. Added to funds committed to the project by FEMA and the PAG and used to further eligible project or program objectives.
2. Used to finance the non-FEMA share of the project or program, if applicable.
3. Deducted from the total project or program allowable cost in determining the net allowable costs on which the Federal share of costs is based.

Program income may be used to supplement project costs or reduce project costs, or may be refunded to the Federal government. Program income may only be used for allowable program costs and will be expended prior to additional drawdowns.

Use and Disposition of Program Income

Unless specified by GPD, program income should be used as earned and expended as soon as possible. If the cost is allowable under the PSGP grant program, then the cost would be allowable using program income. If program income earned on a discretionary grant during the grant period remains at the end of the grant period, the PAG should request a no-cost extension of the grant period to provide ample time to expend the program income for allowable project purposes. If there is no special condition on the award concerning the accounting for program income earned after the funding period, then such program income can be used at the discretion of the PAG. The FEMA portion of program income will be accounted for up to the same ratio of FEMA participation as funded in the project or program. For example:

1. A discretionary project funded with 100 percent FEMA funds will account for and report on 100 percent of the total program income earned. If the total program income earned was $20,000, the PAG will account for and report the $20,000 as program income on the Financial Status Report.
2. If the PAG was funded by formula funds at 75 percent FEMA funds and 25 percent non-FEMA funds and the total program income earned by the grant

was $100,000, $75,000 will be accounted for and reported, by the PAG, as program income on the Financial Status Report.

For additional information on Program Income, please refer to the appropriate OMB Circular (A-102 or A-110)

Requirements for Matching or Cost Sharing

Funds provided for a match will be used to support a FEMA funded project and will be in addition to, and therefore supplement, funds that would otherwise be made available for the stated program purpose. Match is restricted to the same use of funds as allowed for the Federal funds.

Matching contributions need not be applied at the exact time or in proportion to the obligation of the Federal funds unless stipulated by legislation. However, the full matching share will be obligated by the end of the period for which the Federal funds have been made available for obligation under an approved program or project.

Sources of the match can either be a ***cash*** match ***or*** an ***in-kind*** match unless specified in the program guidance, regulation or statute.

Cash Match includes cash spent for project-related costs. Allowable cash match will include those costs that are allowable with FEMA funds with the exception of the acquisition of land, when applicable. Cash match may be applied from the following sources:

1. Funds from states and local units of government that have a binding commitment of matching funds for programs or projects, or

2. Program income and the related interest earned on that program income generated from projects, provided they are identified and approved prior to making an award, or

3. Funds earned from seized assets and forfeitures (adjudicated by a State court, as State law permits), or

4. Funds appropriated by Congress for the activities of any agency of a Tribal government or the Bureau of Indian Affairs performing law enforcement functions on Tribal lands, or

5. Sources otherwise authorized by law.

Except as noted above, Federal funds may not be used for match purposes.

In-Kind Match includes, but is not limited to, the valuation of in-kind services. "In-kind" is the value of something received or provided that does not have a cost associated with it. For example, if in-kind match is permitted by law, then the value of donated services could be used to comply with the match requirement.

Recordkeeping: The PAG will maintain records that clearly support the source, the amount, and the timing of all matching contributions. In addition, if a program or project has included within its approved budget contributions that exceed the required matching

portion, the PAG will maintain records of them in the same manner as it does the awarding agency funds and required matching shares.

Waiver of Match Requirement: In accordance with 48 USC §1469a, congressional declaration of a policy regarding insular areas, FEMA, in its discretion, will waive any requirement for matching funds otherwise required by law to be provided by the certain insular areas. This waiver applies to ALL awards made to American Samoa, Guam, the Virgin Islands, and Northern Mariana Islands.

Chapter 10: Costs and Expenditures

Allowable Costs

Allowable costs are those costs identified in the circulars, as noted below, and in the grant program's authorizing legislation. In addition, costs will be reasonable, allocable, necessary to the project, and comply with the funding statute requirements. The PAG will refer to the program guidelines to determine what program costs are allowable for that specific program. It is important to note that costs that are allowable under one GPD program may be specifically prohibited under another. Additionally, allowable items may change from one fiscal year to another, so it is important to verify allowable costs with Program Guidance specific to the fiscal year funding.

Please note, the PAG is generally not required to conform with the restrictions of the Buy American Act (41 U.S.C. 10a). However, grants authorized under the Stafford Act, including the *Port Security Grant Program,* will follow these standards. The Buy American Act requires that all materials purchased be produced in the United States, unless such materials are not available, or such a purchase would not be in the public interest.

Applicable Cost Principles:

Code of Federal Regulations, Title 48 Federal Acquisition Regulations Systems, Part 31
"Contract Cost Principles and Procedures"

Equipment

For GPD programs that include the purchase of equipment, the PAG is encouraged to review FEMA's Standardized Equipment List (SEL) and the Authorized Equipment List (AEL). These lists maybe be found on the Responder Knowledge Base (RKB) website at http://www.rkb.mipt.org. Any concerns that the PAG may have concerning the eligibility of equipment not specifically addressed in the SEL or AEL will be brought up to its Program Analyst for or Preparedness Officer for clarification.

Acquisition, Maintenance, Transfer, and Survey of Fixed Assets

Purpose

1. To provide procedures and guidelines to facilitate accurate record keeping on the acquisition, maintenance, control and disposition of PAG equipment and property.
2. To maintain consistency in all Port divisions and adopt standardized equipment and property accounting procedures for fixed assets.
3. The combination of accurate accounting records and strong internal controls must be in place to protect against and detect the unauthorized use of Port assets.

Scope

The provisions of these guidelines shall be used by employees who are responsible for acquiring, safeguarding, record keeping and surveying Port equipment and properties that are classified as Fixed Assets.

Discussion

Division heads, supervisors and employees are expected to exercise due care in the use

of Port assets and to utilize such equipment and properties only for authorized purposes. The value of fixed assets for the Port, including the very smallest ones, is substantial. Maintaining a complete and accurate accounting for fixed assets with significant value is important for several reasons:

1. Adequate accounting procedures and records for fixed assets are essential to effective equipment and property management and control;
2. The stewardship responsibility involved in safeguarding such a large public investment is of the utmost importance to sound financial administration; and
3. Unauthorized removal or release of Port equipment and properties from the premises is in violation of this policy.

Definitions

For purposes of this policy,

- ***Fixed Assets*** (Capitalized Equipment and Properties): A tangible, non-consumable equipment or property, which is capitalized. A fixed asset has an acquisition cost of at least $1,000, has a useful life of at least one year and is used to conduct Port business. The cost of a fixed asset includes the purchase price plus all costs to acquire (shipping & handling), installation, and preparing the equipment or property for its intended use. These assets may be subject to depreciation.

- ***Federal Capital Assets*** – (Capitalizable assets with a unit cost of $5,000 or more purchased with federal grant funding). See Section VII below for additional information on transfer, disposal or sale of moveable federal capital equipment.

Responsibilities

1. Finance Division
    a. The Property Control Officer (PCO) shall be responsible for maintaining appropriate records of all fixed assets. The PCO's duties also include conducting periodic physical counts and affixing inventory number tags to the fixed assets.
    b. Any transfer of fixed assets shall be processed through the PCO and approved by the General Manager.
    c. Assets that are obsolete, damage or lost which are recommended for disposal or written off from the books must be processed through the PCO and approved by the General Manager.
    d. Documentation for transfer and disposal of assets must have the concurrence of the Financial Affairs Controller and Deputy General Manager, Finance and Administration prior to the approval of the General Manager.

2. General Manager
    a. To decide and give approval for write-off when a fixed asset is lost, damaged, or obsolete and subject to compliance of lost or stolen and property survey procedures.
    b. To give approval for the transfer of fixed assets from one employer to another, transfer from one section to another and loan assets of the Port to another Government of Guam department or agency.
    c. To decide and give approval on capital expenditures (whether it be included in the annual Capital Expenditure Budget or outside the budget).

3. Division Heads
    a. Assign an employee as their Division Property Contact Person (PCP) to maintain records regarding placement and movement of equipment and property. The PCP coordinates with the Finance Division on the initial placement or movement of assets assigned to their respective division.
    b. Recommend transfer or survey of assets from the General Manager's approval.

Policies

1. Acquisition of Fixed Assets

Acquisition of Fixed Assets will not be made unless first proposed and approved in accordance with the policies and procedures.

Prior to the procurement process of purchasing an asset, a proposal must be submitted in a prescribed form (attached). The form will be forwarded to the Finance Division for review and concurrence by the Financial Affairs Controller. Once the signature has been obtained, it will be forwarded to the General Manager for final approval.

For those items included in the Port's fiscal year budget, the above process for approval must be complied with regardless if it has been initially approved in the budget.

The application for capital expenditure must be submitted no less than 7 working days to the General Manager for assessment before entering the requisition in the computerized procurement system. A copy of the approved application must be submitted to Finance and Procurement & Supply Division before a requisition to purchase such item is inputted into the computerized procurement system.

The Finance Division must ensure that all invoices for fixed assets are attached to the "Application for Capital Expenditure" form.

2. Equipment Tagging

All fixed assets and computer related equipment (defined in prior sections) will be tagged with a PAG identification number prior to delivery to the ordering Division.

The Finance Division must be notified of any delivery by the Procurement & Supply Division that is classified as an asset or Port property. A tag bearing the identification number should be affixed on the top left corner or next logical location or other conspicuous position. Any additional identification by a division should be applied in a manner that avoids confusion with the Port property number. Should the identification number be accidently or mistakenly removed, the property will be retagged. The original property record will reference the new identification number assigned to the property.

Assigned identification numbers are recorded on all applicable receiving, shipping, disposal documents, and other records that are related to the property control system. Should the item be transferred to a different Division, the identification number will remain the same. The property record will be updated with the new location.

3. Procedure for Tagging Equipment

a. Upon receipt of an equipment, an e-mail will be sent to the Property Control Officer and the Finance Controller notifying the Finance Division that equipment has been received. The e-mail should contain a summary of the equipment received (description, manufacturer, model) along with unique identifiers (serial number).
b. A copy of the purchase order will be sent electronically or by fax.
c. The Finance Division PCO will visit the location of the asset to inspect and tag the equipment. Employee or Division/Section Head who is responsible for the asset must read and sign the Property Receipt.

4. Location/Relocation of Equipment/Property

The location of each item of equipment or property is recorded into the Property data base and Fixed Assets JD Edwards Financial System. Current records regarding placement and movement of equipment are maintained in such a manner that any item of equipment can be located for inspection, audit, or inventory purposes within a reasonable time frame. Notification of initial placement or movement of equipment should be sent to the Finance Division as soon as possible.

Regarding the bulk placement of computers/electronic equipment by the Information Technology Department, notification will be emailed to Property Controller Officer with the information available in spreadsheets form.

5. Physical Inventory

Each year the Finance Division will furnish to the Division's PCP via the Division Heads a schedule for their rotating inventory. A computer print-out of the property reflected in the Property database (sorted by division) and inventory instruction will be furnished to each Division at inventory time.

The Finance Division may perform an inventory of all the assets assigned to the division or on the basis of statistical sampling. If the sample shows gross discrepancies, the Finance Division may conduct a complete physical inventory.

6. Reconciliation

The PCO will submit to each division a summary that properly identifies all discrepancies disclosed by the physical inventory. Division PCPs may review the discrepancies and dispute the findings to make appropriate corrections before it is finalized. Corrections must be verified by the Fixed Assets Accountant.

The summary will include a signed statement that a physical inventory of all Port property was completed on a given date and that the official property records were found to be in agreement with the physical inventory, except for discrepancies reported. The summary and signed statement will be furnished with a minimum delay at the completion of the physical inventory.

If necessary, following the physical inventory and items are not located, the appropriate steps regarding lost/stolen property should then be executed by the responsible Division/Section.

7. **Loan of Port Owned Equipment and Property:**
Loans of Port owned equipment and property must be properly documented.

a. Loan of Port Equipment from One Division to Another. If an equipment is loaned to another division/section for a short period, a Property Loan Agreement (see Attachment) should be filed with the Finance Division.
b. Loan of Port Equipment to External Organization, Employee or Other Individuals. Any loan of Port equipment to an external organization or to an individual, including employees, must have prior approval by the General Manager. All loaned equipment shall be listed on a Property Loan Agreement Form, and filed with the Finance Division.
c. Inter-Division Transfer: When equipment is transferred between divisions, a Property Action Request Form (see Attachment) must be completed and signed by the Division head transferring the equipment. This form should then be forwarded to the division that has accepted the equipment. The accepting division should record the new location of the equipment. The Division head of the accepting division will sign the form. The completed form should be forwarded to the Finance Division. The Finance Division will than update the Property data base to reflect the transfer.

8. **Property Survey**
In order to remove or delete items from Fixed Assets/ Property Inventory Records, a process known as a "survey" must be completed. The following procedures must be taken:

- A Request for Property Survey form (see attachment) to dispose of surplus property must be prepared and submitted to the Finance Division (See Attachment). A complete description of the item, including the item number and serial number, if available, should be furnished. This form can be obtained from the Finance Division for approval and signature.
- Upon approval, the Finance Division will transfer the property record from the Main Inventory database to the Archive database.
- The Finance Division will also submit a work order to either Transportation Division or Facility Maintenance Division to remove the equipment or property from the division and place it in a storage/controlled area or until ultimate disposition occurs through the General Services Agency (GSA),'

The proposed disposal of property be cannibalizing or surveying these items must also be recorded on a Property Survey Report form following the above procedures.

9. **Lost or Stolen Property Procedure**
As soon as possible after determining the Port property has been lost or stolen, the division of record should contact the Port Authority Police or local Police Department to file a police report. The employee or division must then complete an Equipment Loss Report (see attachment) to submit the Finance Division. A Request for Property Survey Form (see attachment) should be submitted in addition to the Equipment Loss Report to the Property Department. Employees will be charged with any lost or damage to Port property due to their negligence or unauthorized use. (see Authorization)

10. **Divisional Responsibilities**
Each section is charged with the responsibility for Port property assigned to or purchased by their division.

The division is also responsible for communication with the Finance Division on the receipt of property that is to be tagged and notification of loss, destruction, or transfer of property.

Warranty information and supporting documentation is to be maintained by the originating division. Inventoried property will have minimal backup information maintained in the Property records.

List of Property Control Forms

- FA FORM 01- Application for Capital Expenditure
- FA FORM 02- Property Action Request Form
- FA FORM 03- Division Inventory Report
- FA FORM 04- Property Loan Agreement
- FA FORM 05- Property Loss Report
- FA FORM05- Property Survey Report

Additional Information – Federal Grants/Sponsored Projects

The Property Control Officer (PCO) is responsible for the care and maintenance of Port equipment acquired with federal funds. The Accountant II maintains an asset database of all capital items on federal grants equipment and is required to perform a biennial inventory. The PCO is responsible for notifying Finance on any movement, disposal or sale of equipment and ensuring the Asset Disposition Form is completed and signed. If a grant requires additional reporting or management procedure, the PCO accepts responsibility for monitoring adherence of these additional requirements under the terms and conditions of the award.

Before using federally-funded equipment for other activities, disposing of the equipment, or transferring equipment to another institution, please contact General Manager and Finance. Once the Asset Disposition Form is completed and approvals are verified, the Asset Disposition Form is sent to Finance where the information will be processed in the AS400 fixed asset database.

When transferring equipment to another institution or disposing of assets acquired through federal funds, PCO is responsible to comply with federal regulation 2 CFR 200 Uniform Guidance sections 200.313 for equipment purchased on federal awards. Port Authority General Manager must approve the removal of any equipment.

Equipment value must be reviewed by General Accounting Supervisor and approved by Financial Affairs Controller.

For transfers, documentation of receipts and acceptance by the new Division is required prior to removal of the equipment from AS400 fixed asset master file.

Federal agencies differ in specific guidelines and as such the Port will follow the specific guidelines of the specific federal awarding agency. Federally owned equipment may not be transferred, disposed of or removed from the Port without prior written approval from the federal agency.

Consultant Rates

Compensation for individual consultant services is to be reasonable and consistent with

the amount paid for similar services in the market place. Consideration can be given to compensation, including fringe benefits, for those individuals whose employers do not provide the same. Time and effort reports are required for consultants. Competitive bidding for consultant services is encouraged.

Indirect Costs

Indirect costs are costs of an organization that are not readily assignable to a particular project, but are necessary to the operation of the organization and the performance of the project. The cost of operating and maintaining facilities, depreciation, and administrative salaries are examples of the types of costs that are usually treated as indirect.

Although the PAG does not execute its option to use this allowable cost, for future reference the following requirements must be met.

In order to be reimbursed for indirect costs, the PAG will confirm if its current indirect cost rate is approved. To do this, the PAG will prepare an indirect cost rate proposal and submit it to FEMA. FEMA is assigned by OMB or is determined based on the preponderance of Federal dollars received by the PAG. If an indirect cost proposal for recovery of actual indirect costs is not submitted to FEMA within three months of the start of the award period, indirect costs will be irrevocably lost for all months prior to the month that the indirect cost proposal is received. This requirement is effective for all awards.

If the PAG has a FEMA approved indirect cost rate agreement, GPD will accept any current indirect cost rate or allocation plan previously approved for the PAG by any Federal awarding agency on the basis of allocation methods substantially in accord with those set forth in the applicable cost circulars. Per the OMB guidelines, GPD does not approve indirect cost rates beyond PAG's level. For information on how to obtain an approved indirect cost rate, the PAG is aware that it can contact the Office of Grant Operations at 1-866-9ASK-OGO or ASK-OGO@DHS.GOV.

Indirect Costs versus Management and Administrative (M&A) Costs

Indirect Costs are defined as costs that are incurred for common or joint objectives and therefore cannot be identified readily and specifically with a particular award/project, but contribute to the ability of the PAG to support projects and programs and sustain the daily operations of the organization. Indirect costs are not incurred specifically from the actual performance of the activities under a particular award. Indirect costs are charged based on an approved rate and applicable base, which encompasses total organizational activity.

Indirect costs may include:

- Depreciation
- Rent
- Telephone
- Postage
- Printing
- Other expenses that benefit all programs and functions of an organization.

Management and Administrative Costs are direct costs that are incurred to administer a particular program/award. M&A costs are identifiable and unique to each program/award and are charged based on the activity performed for that particular project.

M&A costs may include:

- Salaries of full-time or part-time staff or contractors/consultants to assist with the management of the program
- Hiring of full-time or part-time staff or contractors/consultants to assist with the implementation and administration of the program
- Travel expenses
- Meeting-related expenses

Food and Beverages

Food and/or beverage expenses provided by the PAG are allowable costs if: (1) the food and/or beverages are provided to participants at training sessions, meetings, or conferences that are allowable activities under the particular GPD program guidelines; and (2) Expenses incurred for food and/or beverages and provided at training sessions, meetings, or conferences satisfy the following tests: (a) the cost of the food and/or beverages provided is considered to be reasonable; (b) the food and/or beverages provided are subject of a work-related event; (c) participation by all participants is mandatory; and (d) the food and/or beverages provided are not related directly to amusement and/or social events. (Any event where alcohol is being served is considered a social event; therefore, costs associated with that event are not allowable). In the event food/meal(s) are being provided, the amount charged for per diem will be reduced accordingly.

Software Development

Software development costs are allowable and may be expended in the period incurred with no dollar limitation.

Maintenance Contracts

The cost of an equipment maintenance agreement is allowable for the period of time that covers the grant project period. Any portion of the contract that extends beyond the grant period may not be charged to the grant award using Federal or matching funds. For example, if the grant project period is one year and the maintenance agreement is for three years, only the cost associated with the first year of the agreement would be allowable. The PAG would have to prorate the cost of the agreement to cover only the grant project period.

Warranty Costs

Warranty costs (extensions) on equipment providing extended coverage for parts, labor and repair, above and beyond the term of the original manufacturer's warranty, are allowable if the cost of the warranty is included as part of the acquisition cost. Acquisition cost means the cost of the asset including the cost to put it in place. Acquisition cost for equipment, for example, means the net invoice price of the equipment, including the cost of any modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for the purpose for which it is acquired.

Unallowable Costs

In addition to the applicable OMB cost principles, the PAG refers to program guidelines to determine what program costs are not allowed for that specific program. Costs that are unallowable under one GPD program may be allowed under another. Costs generally unallowable under Federal grants are as follows:

Land Acquisition

Land acquisition costs are unallowable unless otherwise noted in grant guidance.

Bonuses or Commissions

The PAG is prohibited from paying any bonus or commission to any individual or organization for the purpose of obtaining approval of an application for award assistance. Bonuses to officers or board members of profit or non-profit organizations are determined to be a profit or fee and are unallowable.

Lobbying

The PAG will comply with the provisions of the government-wide Common Rule on Restrictions on Lobbying, as appropriate.

Conferences and Workshops

Unallowable costs include:

- Entertainment;
- Sporting events;
- Visa fees;
- Passport charges;

- Tips;
- Bar charges/Alcoholic beverages;
- Laundry charges; and
- Lodging costs in excess of Federal per diem.

Costs Requiring Prior Approval

Written approval is required for those costs specified in OMB Circulars A-21, A-87, and A-122 as "Costs Allowable With Approval of Awarding Agency" or costs that contain special limitations.

Where prior approval is required, GPD will be the approval authority for all discretionary grants awarded to the PAG. Where prior approval authority for Subgrantees is required, it will be vested in the State unless specified as being "RETAINED BY THE FEDERAL AWARDING AGENCY," as identified below. Subgrantee requests for GPD approval should be submitted through the State for a formula award.

The intention of GPD is not to require approval of all changes within the listed cost categories, but only for those aspects or elements that specifically require prior approval.

Types of Costs Requiring Prior Approval

The following is a list of costs that require prior approval:

- **Construction -** The use of GPD funds for construction is generally prohibited, except as outlined in the specific program guidelines (see program specific guidelines for details). Written approval will be provided by GPD prior to the use of any GPD funds for construction or renovation.
- **Preagreement Costs -** Costs incurred prior to the start date of the award may be charged to the project only if the PAG receives prior approval from GPD. Prior approval is required for costs incurred before the date of the subaward period and costs may be charged to the project only if the award or subaward application specifically requests support for preagreement costs. States may approve preagreement costs for Subgrantees if incurred subsequent to the beginning of the Federal fiscal year of award.
- **Proposal Costs -** Unless specifically outlined in program guidance as allowable without prior approval, costs to projects for preparing proposals for potential Federal awards require PRIOR APPROVAL for: (1) the obligation or expenditure of funds; or (2) the performance or modification of an activity under an award/subaward project, where such approval is required.
- **Audit Costs -** Audit costs for audits not required or performed in accordance with OMB Circular A-133 are unallowable. If the PAG did not expend $500,000 or more in Federal funds in its fiscal year, but contracted with a certified public accountant to perform an audit, these costs may not be charged to the grant.
    - Unless prohibited by law, the cost of audits made in accordance with the provisions of this requirement are allowable charges to Federal awards. The charges may be considered a direct cost or an allocated indirect cost, as determined in accordance with the provisions of applicable OMB cost principles circulars, the Federal Acquisition Regulation (FAR) (48CFR parts 30 and 31), or other applicable cost principles or regulations.

- The cost of auditing a non-Federal entity which has Federal awards expended of less than $500,000 per year and is thereby exempted under the A-133 requirement may not charge such costs to their Federal award(s).

- **Interest Expense -** Interest on debt incurred for: (a) acquisition of equipment and buildings; (b) building construction; (c) fabrication; (d) reconstruction; and (e) remodeling is an allowable cost with prior approval. This interest applies only to buildings completed on or after 10/1/80 for State and local units of government and 9/29/95 for non-profit organizations.
- **Foreign Travel -** Direct charges for foreign travel costs are allowable only when the travel has prior approval of GPD. Foreign travel is defined as any travel outside of Canada and the United States and its territories and possessions. However, for organizations located in foreign countries, the term "foreign travel" means travel outside that country.

  Note: Indirect charges for foreign travel are allowable without prior approval of GPD when: (a) included as part of a federally approved indirect cost rate; and (b) such costs have a beneficial relationship to the project. Each separate foreign trip will be approved.

  PAGs will comply with the provisions of the Fly America Act (49 USC § 40118). The Fly America Act requires travelers performing U.S. Government- financed foreign air travel to use U.S. flag air carriers to the extent that such service is available. Foreign air carriers may be used only in specific instances, such as when a U.S. flag air carrier is unavailable, or use of U.S. flag air carrier service will not accomplish the mission. If a foreign air carrier is used for any part of foreign travel, the PAG will maintain supporting documentation in the grant files available and specifically identified for review during an audit.

Requests will be in writing and justified with an explanation to permit review of the allowability. They may be submitted:

1. Through inclusion in the budget or other components of an award or subaward application; or
2. As a separate written request to the appropriate authority as described above.

Chapter 11: Procurement

There are times when it may be necessary to procure goods and/or services in order to accomplish the goals of a program. For example, it may be necessary to purchase equipment or subcontract for services that the PAG may not have the procurement delegation authority. Unless a professional or construction procurement is required, all procurement processes will be administered and facilitated by the local General Services Agency (GSA).

Procurement Standards

- **General – the PAG** will follow the same policies and procedures it uses for procurement from its non-Federal funds. The PAG will ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations.

- **Standards –** the local GSA will use its own procurement procedures and regulations for equipment purchases, provided that the procurement conforms to applicable Federal law and standards.

- **Adequate Competition -** All procurement transactions, whether negotiated or competitively bid and without regard to dollar value, will be conducted in a manner so as to provide maximum open and free competition. All sole-source procurements in the amount of $500,000 or over must receive prior written approval from Guam's Attorney General Office.

- **Non-competitive Practices -** The PAG will be alert to organizational conflicts of interest or non-competitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. Contractors that develop or draft specifications, requirements, statements of work, and/or Requests for Proposals (RFP) for a proposed procurement will be excluded from bidding or submitting a proposal to compete for the award of such procurement. Any request for exemption will be submitted in writing to the awarding agency.

Sole Source Procurement (Non-Competitive)

All procurement transactions will be conducted in such a manner that provides, to the maximum extent practical, open and free competition. However, should the PAG elect to award a contract without competition, sole source justification is necessary. Justification will be provided for non-competitive procurement and should include a description of the program and what is being contracted for, an explanation of why it is necessary to contract noncompetitively, time constraints and any other pertinent information.

NOTE:
In addition to the aforementioned, the Procurement Standard provides a more descriptive and comprehensive guidance on the PAG's procurement policy and procedures.

Chapter 12: Audits

Audit Requirements

The PAG is responsible for obtaining audits in accordance with OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and 2 CFR Part 200. Any expenditure of $500,000 or more in Federal awards in a fiscal year are required to have an audit performed.

- The audits will be completed by an independent auditor in accordance with generally accepted government auditing standards covering financial audits.
- Audits are due no later than nine (9) months after the close of each fiscal year during the term of the award.
- PAG audit reports will be distributed by the Federal Audit Clearinghouse to the organization's Federal Cognizant Agency for review and resolution of any findings.
- The PAG is responsible for follow-up and corrective action on all audit findings.

Awards are subject to conditions of fiscal, program, and general administration to which the PAG expressly agrees. Accordingly, the audit objective is to review the PAG's administration of funds and required non-Federal contributions for the purpose of determining whether the PAG has:

1. Established an accounting system integrated with adequate internal fiscal and management controls to provide full accountability for revenues, expenditures, assets, and liabilities. The system will provide reasonable assurance that the organization is managing Federal financial assistance programs in compliance with applicable laws and regulations.
2. Prepared financial statements that are presented fairly, in accordance with generally accepted accounting principles.
3. Submitted financial reports (which may include Financial Status Reports, Cash Reports, and Claims for Advances and Reimbursements), that contain accurate and reliable financial data, and are presented in accordance with the terms of applicable agreements.
4. Expended Federal funds in accordance with the terms of applicable agreements and those provisions of Federal law or regulations that could have a material effect on the financial statements or on the awards tested.

Independent auditors will follow the requirements prescribed in OMB Circular A-133. If the auditor becomes aware of illegal acts or other irregularities, prompt notice will be given to PAG management officials above the level of involvement. Subsequently. The PAG will further prompt and notify US FEMA of the illegal acts or irregularities and of proposed and actual actions, if any.

Distribution of Reports

The submission of audit reports for the PAG will follow FEMA and OMB's requirements as indicated:

1. **State and Local Governments, Institutions of Higher Education, and Non-Profit Institutions -** All completed audit reports for State and local governments, institutions of higher education, and non-profit institutions should be mailed to the Federal Audit Clearinghouse, Bureau of the Census, 1201 East 10th Street, Jeffersonville, IN 47132.
2. **Commercial Organizations and Individuals -** One copy of all audit reports for commercial organizations and individuals should be mailed to the Department of Homeland Security, Office of Grants and Training, Office of Grant Operations, 810 7th Street NW, Washington, DC 20531.

Technical Assistance

The DHS Office of the Inspector General is available to provide technical assistance to the PAG in implementing the audit requirements when DHS is the assigned cognizant agency or has oversight responsibilities because it provided the preponderance of direct Federal funding to the PAG. This assistance is available for areas such as:

1. Review of the audit arrangements and/or negotiations;
2. Review of the audit program or guide to be used for the conduct of the audit; and
3. On-site assistance in the performance of the audit, when deemed necessary, as a result of universal or complex problems that arise.

Chapter 13: Close Out

Close Out Process

Within **90 days after the end date of the award** or any approved extension thereof (revised end date), the PAG will submit the required close-out documents to GPD. Prior to submission of these documents, the PAG should do the following:

1. **Cash Reconciliation -** The PAG will request reimbursement for any funds due to cover expenditures and obligations (incurred prior to the grant expiration date and liquidated within 90 days after the grant expiration date) at award closeout. The PAG expenditures (outlays) will be equal to or greater than the cash disbursements from GPD.
2. **Drawdown of Funds –** The PAG will request final payment for reimbursement of expenditures made within the approved period in conjunction with the final financial status report.

In order to close-out an award, the PAG will submit the following documents to GPD:

1. **Final Financial Status Report -** The final report of expenditures will have no unliquidated obligations and will indicate the exact balance of unobligated funds. Any unobligated/unexpended funds will be de-obligated from the award amount by GPD.
2. **Final Progress Report -** This report will be prepared in accordance with instructions provided by GPD.
3. **Invention or Patent Report -** All inventions that were conceived or first actually reduced to practice during the course of work under the award project will be listed on this report before closeout. (if applicable)
4. **Disposition or recovery of Federally-owned assets.**
5. **Federally owned property report.**
6. **Any other documents as required by the program guidance or award terms and conditions.**

If funds are to be returned at award closeout, the PAG will remit a check with a cover letter indicating the grant award number, the unobligated balance, and the itemization of returned monies, e.g., excess payments, interest income, program income, questioned costs, payments to vendors, etc. In addition, the PAG will contact its Program Analyst for further instructions.

Retention and Maintenance of Records

In accordance with the requirements set forth in the OMB administrative requirements circulars, all financial records, supporting documents, statistical records, and all other records pertinent to the award will be retained for at least three years from the date of submission of the final expenditure report. In cases where litigation, a claim, or an audit is initiated prior to expiration of the three year period, records will be retained until completion of the action and resolution of issues or the end of the three year period, whichever is later. Retention is required for purposes of Federal examination and audit. Records may be retained in an automated format.

1. **Coverage** - The retention requirement extends to books of original entry, source documents supporting accounting transactions, the general ledger, subsidiary ledgers, personnel and payroll records, cancelled checks, and related documents and records. Source documents include copies of all awards, applications, and required PAG financial and narrative reports. Personnel and payroll records will include the time and attendance reports for all individuals reimbursed under the award, whether they are employed fulltime or part-time. Time and effort reports are also required for consultants, as well as justification of consultant rates in accordance with market value.
2. **Retention Period** - The three year retention period starts from the date of submission of the final expenditure report. If any litigation, claim, negotiation, audit, or other action involving the records has been started before the expiration of the three year period, the records will be retained until completion of the action and resolution of all issues that arise from it or until the end of the regular three year period, whichever is later.

The PAG will see that records of different Federal fiscal periods are separately identified and maintained so that information desired may be readily located. The PAG is also obligated to protect records adequately against fire or other damage. When records are stored away from the PAG's principal office, a written index of the location of records stored should be on hand and ready access should be assured.

Access to Records

GPD, DHS, the DHS Office of the Inspector General, the Comptroller General of the United States, or any of their authorized representatives, will have the right of access to any pertinent books, documents, papers, or other records of the PAG that are pertinent to the award, in order to make audits, examinations, excerpts, and transcripts. The right of access will not be limited to the required retention period, but will last as long as the records are retained.

However, only under extraordinary and rare circumstances would such access include review of the true name of confidential informants or victims of crime. When access to the true name of confidential informants or victims of crime is necessary, appropriate steps to protect this sensitive information will be taken by the PAG and GPD. Any such access, other than under a court order or subpoena pursuant to a bona fide confidential investigation, will be approved by GPD.

Appendix: Glossary of Terms

Accrual Basis is the method of recording revenues in the period in which they are earned, regardless of when cash is received, and reporting expenses in the period when the charges are incurred, regardless of when payment is made.

Administrative Requirements are standards for consistency and uniformity in the administration of grants, cooperative agreements, and subawards.

Amusement/social event is an informal gathering that is not mandatory for all participants to attain the necessary information. An indicator of a social/amusement event is a cash bar.

Awarding agency is the Federal government or the next highest authority, i.e., the State agency administering the formula award or the Federal agency administering the discretionary award.

Awards may include funding mechanisms such as grants, cooperative agreements, interagency agreements, contracts, and/or other agreements.

Breaks are short pauses in an ongoing informational program at trainings, meetings, conferences, or retreats. Typically, an all-day event may include one break during a morning session and one break during an afternoon session.

Break foods consist of cookies, sodas, and fruits or other snack items, and may be served at a training program, a meeting, or a conference.

Budget Period is the period for which a budget is approved for an award. The budget period may be equal to or shorter than the project period for an award, but cannot be longer than the project period.

Cash Basis is the method of reporting revenues and expenses when cash is actually received or paid out.

Closeout is a process in which GPD determines that all applicable administrative actions and all required work of the award have been completed by the PAG and GPD.

Cognizant Federal agency is the Federal agency that generally provides the most Federal financial assistance to the PAG of funds. Cognizance is assigned by the Office of Management and Budget (OMB). Cognizant agency assignments for the largest cities and counties are published in the Federal Register. The most recent publication was dated January 6, 1986. The cognizant agency is generally the agency that will negotiate an organization's indirect cost rate agreement. The cognizant agency is also responsible for resolution of A-133 audit findings.

Conference or meeting is a formal event involving topical matters of general interest (i.e., matters that will contribute to improved conduct, supervision, or management of the agency's functions or activities) to Federal agency and non-Federal agency participants, rather than a routine business meeting primarily involving day-to-day agency operations and concerns. "Meeting" includes other designations, such as a conference, congress,

convention, seminar, symposium, training for PAGs or contractors, and workshop.

Consultant is an individual who provides professional advice or services.

Continental breakfast means a light breakfast that may include a selection of coffees, teas, juices, fruits, and assorted pastries, and is allowable provided several hours of substantive material directly follows the continental breakfast. Grant PAGs are reminded that the least expensive of the available selections should be chosen. If a meal is provided to the PAG, per diem will be reduced accordingly.

Contracts are entered into by the awarding agency, the Grantee or Subgrantee, and commercial (profit making) and non-profit organizations. With the exception of a few justified sole source situations, contracts are awarded via competitive processes to procure a good or service.

Cooperative agreements are awarded to States, units of local government, or private organizations at the discretion of the awarding agency or as stipulated by law. Cooperative agreements are utilized when substantial involvement is anticipated between the awarding agency and the PAG during performance of the contemplated activity.

Discretionary awards are made to States, units of local government, or private organizations at the discretion of the awarding agency or as stipulated by law. Most discretionary awards are competitive in nature in that there are limited funds available and a large number of potential PAGs.

Domestic travel includes travel within and between Canada and the United States and its territories and possessions.

Equipment is tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. A Grantee/Subgrantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.

Federal contractor is a person or entity that contracts with the Federal government to provide supplies, services, or experimental, developmental, or research work. Entities may include commercial organizations, educational institutions, construction and architectural engineering companies, State and local governments, and non-profit organizations.

Federal employees are people employed in or under an agency of the United States Federal Government.

Federal PAG means the component of a State, local, or Federally recognized Indian tribal government, educational institution, hospital, or a for profit or non-profit organization that is responsible for the performance or administration of all or some part of a Federal award.

Focus group means a gathering of Federal government employees to discuss results and improvements of programs in the field. The focus group should follow a prepared agenda, be led by an expert in the subject matter, and serve to educate Federal employees.

Food and/or beverages retain their common meanings. Food or beverages are considered in the context of formal meals and in the context of refreshments served at short, intermittent breaks during an activity. Beverages do not include alcoholic drinks.

Foreign travel includes any travel outside of Canada and the United States and its territories and possessions. For an organization located in a foreign country, this means travel outside that country.

Formal agenda provides a list of all activities that will occur during the event, using an hour-by-hour time line. It will specifically include the times during the event when food and beverages will be provided.

Formula awards are awarded to the States to provide assistance to State and local units of government for programs in accordance with legislative requirements.

Grants are awarded to States, units of local government, or private organizations at the discretion of the awarding agency or on the basis of a formula. Grants are used to support a public purpose of support or stimulation authorized by Federal statute.

High risk is a determination made by the awarding agency of a PAG's ability to financially administer Federal project funds. Additional requirements, such as reporting and/or monitoring, may be imposed.

Incidental means relating to a formal event where full participation by participants mandates the provision of food and beverages.

Indirect costs are costs of an organization that are not readily assignable to a particular project, but are necessary to the operation of the organization and the performance of the project. The cost of operating and maintaining facilities, depreciation, and administrative salaries are examples of the types of costs that are usually treated as indirect.

Interagency agreements and purchase of service arrangements are usually entered into by two governmental units or agencies. Such funding arrangements are negotiated by the entities involved.

Match is the PAG share of the project cost. Match may either be "in-kind" or "cash." In-kind match includes the value of donated services. Cash match includes actual cash spent by the PAG and will have a cost relationship to the Federal award that is being matched.

Nonexpendable personal property includes tangible personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. A PAG may use its own definition of nonexpendable personal property provided that the definition would at least include all tangible personal property.

Obligation means a legally binding liability to pay under a grant, subgrant, and/or contract determinable sums for services or goods incurred during the grant period.

Pass-through is an obligation on the part of the States to make funds available to units of local governments, combinations of local units, or other specified groups or organizations.

Personal property means property of any kind except real property. It may be tangible (having physical existence) or intangible (having no physical existence, such as patents, inventions, and copyrights).

Preagreement/Pre-award costs are defined as costs that are considered necessary to the project but occur prior to the starting date of the award period.

Prior approval means written approval by the authorized official (the next highest authority except for sole source) evidencing consent prior to a budgetary or programmatic change in the award.

Program income means gross income earned by the PAG during the funding period as a direct result of the award. Direct result is defined as a specific act or set of activities that are directly attributable to grant funds and that are directly related to the goals and objectives of the project. Determinations of "direct result" will be made by the awarding agency for discretionary grants and by the State for formula subawards. Fines/penalties are not considered program income. Program income may be used only for allowable program expenses.

Project Period is the period for which implementation of a project is authorized. The project period may be equal to or longer than the budget period for an award, but cannot be shorter than the budget period.

Real property means land, land improvements, structures, and appurtenances thereto, excluding movable machinery and equipment.

Reasonable costs are costs that a prudent person would have incurred under the circumstances prevailing at the time the decision to incur the cost was made. Costs to consider when making judgments about reasonableness include the cost of food and beverage, total cost of the event, and costs incurred relative to costs in the geographical area. The exception to this definition is lodging costs for events of 30 or more participants, when the event is funded with a GPD award. For these events, reasonable is defined as the Federal per diem rate for lodging.

Reception means an informal gathering that is not mandatory for all event participants to obtain necessary information. Indicators of a reception include a cash bar, inadequate seating for the entire group, food items from a reception menu (such as finger foods), and a longer break (than utilized throughout the day) between the substantive meetings and the reception. Receptions are expressly prohibited and are considered to be an unallowable cost with Federal funds.

PAG is an individual and/or organization that receives Federal financial assistance directly from the Federal agency.

Social event is any event with alcoholic beverages served, available, or present. Social events are expressly prohibited and are considered to be an unallowable cost with Federal funds.

Stipend is an allowance for living expenses. Examples of these expenses include, but are not limited to, rent, utilities, incidentals, etc.

Subaward is an award of financial assistance in the form of money to an eligible Subgrantee or a procurement contract made under an award by a PAG.

Subgrantee is an individual and/or organization that receives Federal financial assistance from the direct PAG of Federal funds. This may include entities receiving funds as a result of formula awards.

Supplanting is to deliberately reduce State or local funds because of the existence of Federal funds. For example, when State funds are appropriated for a stated purpose and Federal funds are awarded for that same purpose, the State replaces its State funds with Federal funds, thereby reducing the total amount available for the stated purpose.

Working dinner means a formal and mandatory dinner necessary for all participants to have full participation in the conference or event. A working dinner will include a formal agenda including a program or speakers that will impart necessary information important for full understanding of the subject matter of the conference. There should be several hours of informative sessions providing substantive information scheduled both before and after a working dinner. Indicators of a working dinner include seating for all participants. If a meal is provided to the PAG, per diem will be reduced accordingly.

Working lunch is a formal and mandatory lunch necessary for all participants to have full participation in the conference or event. A working lunch will include a formal agenda including a program or speakers that will impart necessary information important for full understanding of the subject matter of the conference. There should be several hours of informative sessions providing substantive information scheduled both before and after a working lunch (exhibits are not included). Indicators of a working lunch include seating for all participants. If a meal is provided to the PAG, per diem will be reduced accordingly.

Work-related event is a conference or meeting involving a topical matter of interest within the purview of the agency's mission and function.

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Eddie Baza Calvo
Governor of Guam
Ray Tenorio
Lieutenant Governor

May 24, 2018

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: Budget Transfer Request – Diving Services

The Port Authority of Guam acquires diving services to assess and inspect all Port wharfs, piers, dockside that is usually performed after earthquakes, storms, natural disasters, accidents or other related incidences requiring underwater evaluations. The inspections are conducted on, but not limited to, concrete bulkheads, steel sheet pilings, under decking, concrete beams, and concrete piles.

Therefore, Board approval is being requested to authorize the budget transfer of $15,000.00 from Other Small Projects account to Harbor Master Diving Services account.

I am available should you have any questions.

for E-P
JOANNE M.S. BROWN

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

May 29, 2018

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: Budget Transfer Request – GovGuam Liberation Day Parade

The Government of Guam 74th Liberation Festivities is fast approaching. This year's theme is *Strengthening the Spirit of Our Island.* As a participating agency, the Port Authority of Guam has established a Liberation Day Committee for purposes of planning and coordinating the construction of a float for the Liberation Day Parade.

Based on this, request is being made to transfer funds from the Commercial division budget under Appraisal account in the amount of $10,000.00 to Miscellaneous Account.

I am available should you have any questions.

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Complaints of discrimination should be sent to the Human Resources Division.
Doc. No. 34GL-18-1947.

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May 29, 2018

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: Budget Transfer Request – Utility Terrain Vehicle

Management is looking to acquire utility terrain vehicles (UTV) for the Safety division and Facilities division. Safety division will be utilizing the UTV to transport all materials needed for oil spills from main location to oil spill site. Also, to conduct monitoring and inspection of the oil-water separator located in ten different areas of the port compound. The Facilities division will be utilizing the UTV to cover ground maintenance in all areas of the Port Authority.

The acquisition of UTV would serve to be the most economical and feasible form of transportation for said divisions to ensure compliancy and order in a timely manner.

Currently, each division has an approved budget of $15,000.00. The lowest bidder submitted a bid in the amount of $25,769.00 per UTV. To help defray the cost, Transportation division has a cost savings of $17,124.00 after having purchased a van and four pick-ups; however, a shortage of $4,414.00 remains.

Board approval is being requested to transfer the sum of $17,124.00 from Transportation (Vehicle Replacements & New Vehicle Van) accounts and Port Police Light Plants account at $5,000.00 to Safety Mule/ATV 4WD account and Facility Diesel Powered Transporter Mule account.

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May 29, 2018

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: Budget Transfer Request – Video Production

The Port Authority of Guam, during the past several years, has been very successful in its efforts to modernize the facilities of the Jose D. Leon Guerrero Commercial Port of Guam. Although past, current, and future projects are shared and detailed in all PAG presentations, it is in the best interest of the Port to highlight its accomplishments in video format. This marketing medium will show and document how the Board of Directors, Management, and Port Strong employees have planned, developed, and executed capital and security improvement projects during the last few years that have transformed the Port into a world class facility. The 2-3 minute video will be periodically updated to highlight continuing modernization efforts in the future.

That being said, management request Board approval to transfer the sum of $10,000.00 from Commercial Appraisal account to support the services of a video production.

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Eddie Baza Calvo
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May 29, 2018

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: Budget Transfer Request – PAG Revenue Bond

The Board of Directors approved the revenue bond travel at its previous meeting for the month of June 2018. The travel dates for June 2018 is set for the week of the 17th and 24th. At this stage in the Port's bond initiative program, the focus would be to market bond investors and pricing, and depending on the Port's bond package rating will determine the traveling of different areas possibly to San Francisco, New York and Chicago.

Given that the duration of the travel spans to almost two weeks and the potential areas to market the Port's bond package, the current travel bond budget of $23,000.00 appears to be insufficient to fulfill the course of the travel. With this being said, management is requesting Board authorization to transfer the sum of $50,000.00 from the Internet Service account to cover the bond travel expense.

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Eddie Baza Calvo
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Lieutenant Governor

May 18, 2018

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: **Travel Authorization Request**
: New Mexico Tech

Throughout the calendar year New Mexico Tech offers various training that are federally funded which are recognized by the office of Homeland Security. Request is being made to authorize travel for the following training or as otherwise designated by the General Manager.

July 10-13, 2018
Incident Response to Terrorist Bombings, Socorro, New Mexico

1. Angela Yoshida, Cargo Checker
2. Paul San Nicolas, Cargo Checker
3. Bradley Paulino, Cargo Checker
4. Antony Leon Guerrero, Cargo Checker

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May 29, 2018

MEMORANDUM

TO: Board of Directors

FROM: General Manager

SUBJECT: Travel Authorization Request:
APP 105th Annual Conference

Association of Pacific Ports (APP) will be holding its 105th Annual Conference on July 15-18, 2018 in Stockton, California. As the Port Authority of Guam is a member of the APP, participation in this conference will serve beneficial to the Port and allow for an opportunity to network with various other members within the association in sharing ideas and best practices relating to maritime industry.

Board approval is hereby being requested for three (3) port representatives to attend the conference.

Purpose: **APP 105th Annual Conference**
Travel Date: July 15-18, 2018
Destination: Stockton, California
Participants: Port Representatives

Travel Accommodations:	$5,683.95
Per Diem:	$3,045.00
Registration:	$2,085.00
Travel Expense:	$10,813.95

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