



**PORT OF GUAM**  
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June 12, 2014

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Subject: Port Authority of Guam Input/Comment on the Draft Supplemental Environmental Impact Statement (SEIS)

The following general comments are provided for your review and consideration:

**Port Authority of Guam Planning Activities**

While the SEIS addresses specifically address the construction and operation of a cantonment, including military family housing, and a Live-Fire Training Range Complex on Guam to support the Marine Corps relocation, it is expected to result in increases in construction activity and population growth. In August of 2013, the Port Authority of Guam prepared an updated blue print for moving forward with the finalization of the Jose D. Leon Guerrero Commercial Port of Guam Master Plan Update 2013 Report.

A primary intent of the new master plan report was to respond to scaled down projections targeting a down-sized Military Buildup, as a result of the Department of Defense announcement in 2012 that downsizing would involve reductions in the number of Marines and dependents to be relocated to Guam, a pushed back time frame for implementing the realignment, and a reduced projected construction budget. The master plan goals are as follows:

- Update the content & direction of the PMP, initiated by the Master Plan Update 2007 Report
- The re-directed PMP and implementation strategy will do the following:
  - Modernize the Port in 5 years
  - Prepare for scaled down projections targeting organic growth and a down-sized/delayed Military Buildup
  - Provide balanced focus on improvement and long-term sustainability
  - Provide strategy to secure financial self-sufficiency to fund recommendations in the MP Update

Specific scenarios under which the port’s master plan update was developed, in response to the DoD reset, involved the following:

**2007 MP Major Assumptions**

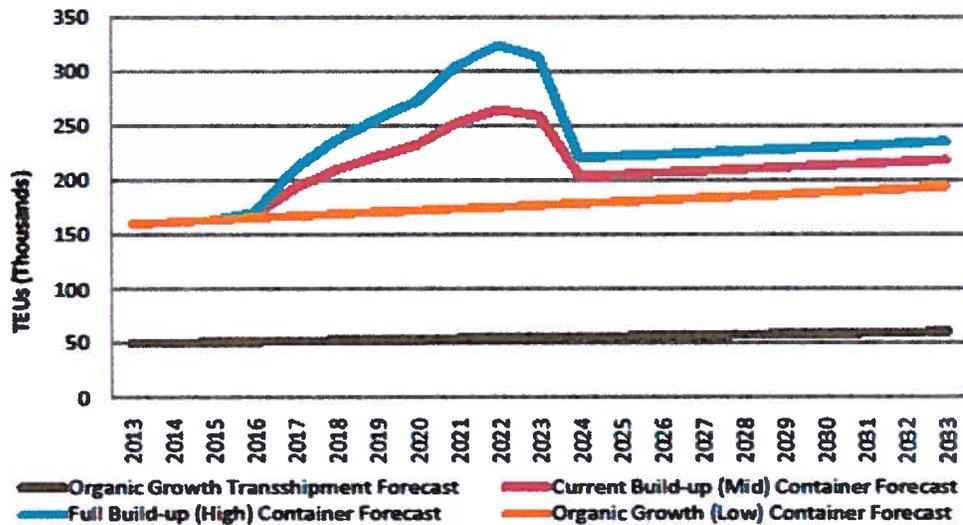
- \$10 billion for Military Realignment Plan
- Relocation of 8,600 Marines and 9,000 dependents
- Construction would occur between 2010-2014
- Overall population on Guam to climb as high as 250,000 at peak
- 2007 Port MP Projects - Over \$200 million in Capital Projects were to be executed between 2009-2014

**2011 DOD Re-set Impacts**

- \$8.6 billion in 2012 dollars for construction budget
- 5,000 Marines (1/3 permanent; 2/3 rotational)
  - 1,300 dependents
- DOD Implementation timeframe pushed to 2016-2020 Securing

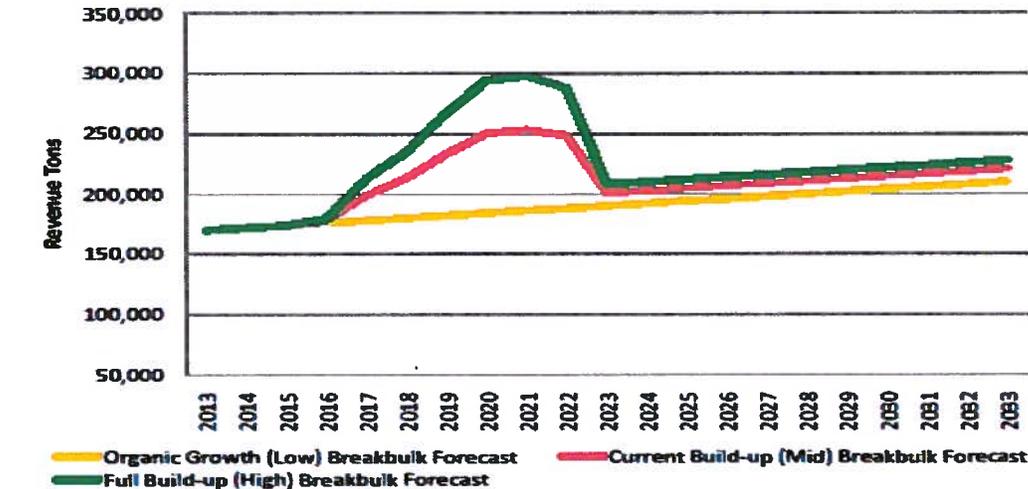
Projections for Cargo flows, berth utilization, crane capacity, and yard capacity were prepared to establish a baseline to determine adequate capability levels for the Port in the context of the reduced buildup scenario.

**Figure ES-1: Container Cargo Forecasts**



Source: Parsons Brinckerhoff analysis

Figure ES-2: Breakbulk Cargo Forecasts



Source: Parsons Brinckerhoff analysis

### Port Project Implementation Activities

As result of the master plan preliminary findings, and in response to the down-sized military build-up announcement, in early 2013, the Port broke ground on a modernization program that will improve and expand the Port's facilities to enhance the Port's operational efficiencies and maximize capacity.

Several key components of the modernization effort have already been launched as a result of PAG's agreement with the U.S. Maritime Administration (MARAD), who is working in partnership with PAG in implementing the "Guam Commercial Port Improvement (GCPI) Program". Funded by a \$50 million grant from the U.S. Department of Defense, the GCPI program will usher in capital improvement projects needed to accommodate organic growth and DoD's plans to relocate personnel to Guam from Okinawa.

In April 2014, PAG) began the third and final phase, the Facility Expansion project, the largest construction project of the GCP) Program. The expansion project includes a new 4.6 acre container yard, 3.7-acre gate complex, new domestic water and fire distribution system with a 270,000 gallon pre-stressed concrete storage tank, a new electrical load center and associated electrical distribution, high mast lighting, stormwater sewer system and outfall, oil water separators and wash rack facility.

The first GCPI project was the CFS Building Modifications Project finished last January. CFS Building upgrades include a secure cargo storage area, new large rollup doors, and new working spaces. The second phase of the GCPI program saw the completion of selected demolition and Break Bulk Yard modifications, which expanded the Break Bulk Yard to 10 acres. Both projects are on-time and on-budget.

The GCPI Program is expanding the port's capacity to meet the needs of our island for generations to come. This project has served as a model of cooperation between federal, territorial and local agencies.

In addition to the GCPI Program, which focuses on port modernization, PAG's master plan update contains several recommendations to enhance and improve efficiencies through a number of projects targeting sustainability of operations. These near-term projects are as yet unfunded:

- Upgrade of Existing Financial Management System
- Installation of Terminal Operating System
- Installation of Gate Operating System
- Acquisition of Cargo Handling Equipment
- Installation of Inbound/Outbound OCR (optical character recognition) Portals and Canopies
- Electrical Work for additional Reefer Outlets/Reefer Lights Installation

If you have any questions regarding these comments, please contact the undersigned at [jbrown@portguam.com](mailto:jbrown@portguam.com) or phone (6710 477-5931 ext. 301).



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