

Port asks AG to investigate shipping

By Amritha Alladi

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aalladi@guampdn.com

The Port Authority of Guam is investigating whether there have been previous incidents of handling commercial cargo at sites besides the Port Authority of Guam, according to a statement released yesterday by the Port's general manager, Glenn Leon Guerrero.

Port officials and Sen. James Espaldon have said that only the Port can function as a commercial port for the island, according to law. In a letter sent to Attorney General Alicia Limtiaco on Monday, Espaldon urged her office to conduct an investigation into the possible violations of Guam law.

"I am concerned that cargo operations have occurred elsewhere, without the expressed consent of the Port Authority of Guam," his letter stated. "Consequently, not only has the Port Authority of Guam lost valuable income, but

laws have been ignored and broken," his letter stated.

Port officials reiterated yesterday they were looking into whether commercial cargo may have been shipped through other docks.

Their response comes after Watts Constructors issued a press release Monday challenging the Port's issuance of \$1 million in tariffs for two shipments handled at the Guam Shipyard. Watts argued that Guam law, in fact, does not state that companies must use the Port's facilities. Yesterday, John Sage, Watts Constructors general manager, said the Port cannot collect fees if its facility is not used.

"The Port's tariffs imposed upon Watts are illegal because Guam law only allows such tariffs to be imposed upon companies utilizing the Port's facilities," Sage said.

"Watts did not use the Port's facilities, so there is no legal basis for the Port to impose tariffs of any kind upon Watts."

\$200M tariffs



TO THE POINT

▲ The Port of Authority of Guam yesterday responded to Watts Constructors' challenge of having to pay \$1 million in port tariffs.

According to the Port, it was necessary for the Port to collect tariffs that rightfully were owed to the Port because of the \$200 million in Port modernization projects the facility is currently undergoing in preparation for the military buildup.

"These upgrades are necessary for the future of our people, and the Port Authority of Guam must consequently protect its revenues and will not tolerate one dollar of tariff revenue to go uncollected," Leon Guerrero's statement read.

It's because of the Port's inadequacies that Watts had to resort to the shipyard's facility, according to the

release issued by Watts.

"The Port is simply not yet equipped to handle the full range of cargo moving on and off the Island today, ..." Watts' release stated.

Thus, Watts officials said they felt targeted because the Port had allowed the shipyard to handle commercial cargo "for years."

"We do not understand why the Port has chosen to target and penalize only us for what has been standard practice between the Shipyard and the Port," the release from Watts stated.

But Sage declined to cite specific instances when this has happened, and he referred PDN to the Port Authority of Guam and the Guam Shipyard for specific examples.

The Port has denied any knowledge of such instances, and the Shipyard's president, Mathews Pothen, said that aside from the Watts cargo shipments, no other commercial cargo has been handled at the Guam Shipyard.