

# Watts gathers facts on cargo issue

**By Amritha Alladi**

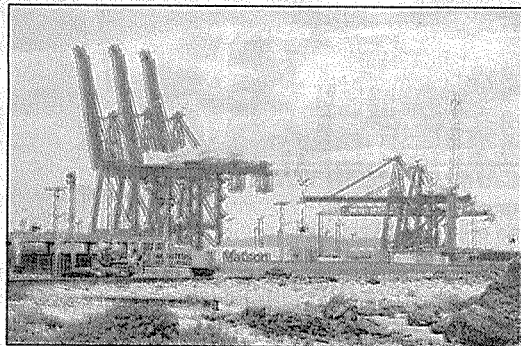
*Pacific Daily News*  
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An executive from Watts Constructors yesterday said he is waiting for all facts to be presented regarding the loading of what may have been commercial cargo at the Guam Shipyard earlier this year. Only then will the company release information to the media, Watts President Denny Watts said.

In an e-mail to Pacific Daily News yesterday, Watts said he is currently working with Port Authority of Guam officials to resolve all issues surrounding the transportation of materials and products on a Thomas/Brusco tug/barge from the Guam Shipyard in July.

"We believe that once all the facts are presented, the situation should be quickly resolved. At that time, we will be open to any questions regarding this matter," Watts said.

Port officials are concerned that the Guam Shipyard may be competing with the Port for loading and unloading commercial cargo. Under Guam law, only the local govern-



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ment-run Port is authorized to be the entry and exit point for commercial cargo shipped by sea.

"The use of the shipyard for such an activity as opposed to use of Guam's Port facilities is particularly disturbing in light of the fact that the Port is the single civilian port on Guam charged with providing for the needs of ocean commerce and navigations of the territory of Guam," Port General Manager Glenn A. Leon Guerrero wrote to Guam Economic Development Au-

**Port:** The Port Authority of Guam-run commercial port is photographed on July 30. Port management is questioning the use of the Guam Shipyard in July for moving cargo because the Port is the entry and exit point for commercial sea cargo.

thority Administrator Anthony C. Blaz on Oct. 26.

Furthermore, Leon Guerrero said, the Shipyard may be violating its sublease with GEDA by loading commercial cargo, although GEDA marketing and communications manager Rita Nauta declined to confirm on Tuesday if that was true.

On Tuesday, Sen. James Espaldon wrote to the Port's board Chairman Monte Mesa, requesting an "immediate" explanation why the Port had allowed the loading of the

cargo to occur. He also asked them how much revenue the Port would have lost from the action, and what was being done to recoup the loss. Espaldon told PDN on Tuesday that the Port agency has been raising tariffs and worker wages to support the increased cargo traffic the Port will see during the military buildup.

"Since the port modernization program will cost about \$200 million, it would be prudent for the port to hold on to all its sources of revenues rather than allowing the Guam Shipyard to compete for business and revenues that rightfully belongs to the Port," Espaldon said in the letter to Mesa. He added that the shipyard is only authorized to load and unload military cargo.

But in his letter to Blaz last week, Leon Guerrero said, to his knowledge, the cargo loaded at the shipyard was "civilian and commercial, not military, in nature."

Guam Shipyard President Mathews Pothén has declined to comment, and Blaz has been unavailable for comment. Nauta said Blaz is waiting for a response from shipyard officials before taking any action.