

GAO Questions for Guam Community Officials
(351100)
February 2008

Background: The Senate report accompanying the 2007 Military Construction and Veterans Affairs and Related Agencies Appropriations Bill required the U.S. Government Accountability Office (GAO) to review DOD's master planning effort for the military buildup on Guam. Accordingly, GAO is reviewing the status of DOD's master planning effort for the buildup of forces and infrastructure on Guam, and the extent that DOD has identified and addressed infrastructure and funding requirements, base operation and support services, training and mobility capabilities, joint basing opportunities, and other challenges associated with the buildup in this planning effort. As part of its review, the GAO is seeking to gain information on the challenges Guam faces in accommodating thousands of military personnel and dependents as a result of overseas rebasing actions.

In October 2006, the U.S. Government Accountability Office conducted its first assessment on the challenges that Guam faced as the Department of Defense (DOD) expected its population of military personnel and dependents to increase from 14,190 to 40,380 due to the relocation of the III Marine Expeditionary Force from Okinawa, Japan to Guam and due to other military buildups. At that time, the only information Guam had available to it on the proposed buildup was the Guam Integrated Military Development Plan, which was released on a DOD website and then immediately taken down, and news articles from Japan and other international sources. Since that first GAO assessment, the Subcommittees of the Civilian Military Task Force (CMTF), created by Executive Order 2006-10 by Governor Felix P. Camacho, have been meeting to identify impacts and to plan for the buildup. Communication between the Department of Defense, DOD's Joint Guam Program Office and the Government of Guam on the impending military buildup has increased. Overall, the amount of information and the quality of information that is being conveyed remains to be limited and the Government of Guam continues to find itself unable to effectively plan for the buildup in most sectors.

On January 31, 2008, the GAO conducted on Guam a second community assessment as a component of its review of DOD's master planning effort for the military buildup on Guam. During the assessment that took place, concern was consistently conveyed that JGPO is only interested about the buildup within the fence line and not its impacts outside the fence line. Concern was also expressed that DOD does not see itself as a member of the larger Guam community. It appears that Guam is expected to bare the financial, economic and social impacts of a massive buildup within a short period of time rather than there being balanced growth inside the fence and outside. These concerns are further heightened by statements made by JGPO. According to a January 25, 2008 Washington Post article, "The Defense Department is neither authorized nor obligated to compensate Guam for the whole of the long-term impact of the Marines' presence on the island, according to retired Marine Maj. Gen. David Bice, executive director of the Joint Guam Program Office, which is managing the Pentagon's move. Bice said, though, that the Pentagon recognizes that Guam's needs are real and extensive: 'The federal government is recognizing that this has to be a move that is good for the people of Guam.' Military planners in Washington, speaking on condition of anonymity, predicted that Guam would have trouble securing the money it will need for coping with the military buildup."

In order to assist the GAO to provide information to Congress on the inclusion of Guam's community in the Department of Defense's planning effort and the challenges Guam is facing with the military buildup, to follow is the Government of Guam's Civilian Military Task Force's Subcommittees' responses to GAO's questionnaire:

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1. What has been your experience in dealing with the military?

- a. Free and open contact?**
- b. Cooperation/reach out by installation officials?**
- c. Regular meetings?**
- d. Extent of information – personnel movements, timing, financial assistance?**

Overall

Generally, continual dialogue has been the norm, however limited information is provided. There are reach out and regular meetings at varying levels, but information is limited and non-specific. Because of the nature of the NEPA EIS requirements, DOD is currently unable to narrow down the range of facility and operations options it is considering under the Guam Integrated Military Development Plan and its successor plans. This lack of specificity, however, complicates the planning process for the Government of Guam as details of the DOD actions simply are not yet available. It's hard to provide specific comments on such non-specific proposals at this time.

Environment

1.a. The Guam Environmental Protection Agency (Guam EPA), the Guam Department of Agriculture (DoAG) and the Guam Coastal Management Program (GCMP) regulate the military installations in certain matters. With the military on Guam, Subcommittee members have experienced free and open contact in most cases, but occasional past problems in GCMP Federal Consistency acceptance and in web sites and email being blocked or missent, especially with off-Guam DOD contacts.

1.b. Mixed experience on cooperation. Guam EPA staff have observed some resistance to compliance with Guam EPA, e.g., on the DOD new High School drainage and Alpha and Bravo wharves dredging projects and on recognition of concurrent authority of Guam EPA and U.S. EPA over water quality on DOD property and DoAG concurrent authority on living Guam resources on DOD property. Conflicting or confusing messages have been received from DOD contacts in different offices on different levels and from their contractors. This seems to contrast with other instances of excellent cooperation. There have been some obstacles to access to DOD properties for Guam EPA staff, DAWR staff and University of Guam staff reviewing impacts on the environment and natural resources and some resistance to enforcement for Guam and Federal requirements. But coordination has been improving and cooperative meetings increasing.

1.c. Restoration Advisory Board public meetings' frequency and accessibility have improved. They should be held quarterly, but the Navy RAB only met twice in 2006. Air Force RAB meetings on Andersen AFB have discouraged public participation because of access and security problems, so they have moved to off-base venues. Proactive regular meetings are discussed in 5.c., below.

1.d. Difficulties had existed in previous years in receiving review documents from DOD which sometimes used to be only made available to the required Government of Guam reviewing agencies through certain web pages which are not accessible to Government of Guam reviewers. Currently we are requesting documents needing review be sent both in hard copy and electronically in a timely manner. But overall timeliness and circulation of information can be improved.

Natural Resources

1.a. Recently, communication has improved. DOD has been more open, but fails in providing detailed information required for planning. The degree of communication and information sharing differs between

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the two military branches currently operating bases on Guam (United States Air Force (USAF) and United States Navy (USN)), with one branch considered more open than the other. Generally, COMNAVMAR has had a poor record of communication with local and federal government agencies about specific operations, resulting in a number of misunderstandings, lack of coordination, and permit violations. However, specific individuals within COMNAVMAR have made great efforts in keeping lines of communication open.

This lack of communication and failure to provide critical detailed information make it difficult for local agencies to adequately measure cumulative and secondary impacts, consider alternatives proposed in the Environmental Impact Statement (EIS), and determine compensatory mitigation.

1.b. Recently, military officials on island have made efforts in reaching out to the local government agencies. However, there appears to be confusion between what is discussed and what is formally agreed to, with regard to specific military infrastructure changes/improvements. Difficulties arise with frequent personnel changes, thus restarting the year-long on-going dialogue to the beginning.

Although DOD has conducted several public meetings regarding the EIS within the community, there has been very little substantive information provided. For example, DOD has hosted open houses to address public concerns regarding the impending Marine relocation from Okinawa to Guam. However, instead of providing the public with specific project locations, proposed facility plans, affected natural resources, and potential alternatives associated with the relocation, DOD provided general, vague information that can be found on-line and a list of potential issues that should be addressed and through what process they would be addressed.

1.c. Joint Guam Program Office (JGPO) hosts quarterly coordination meetings for local and federal natural resources agencies. However, this is by invitation only and invites to key personnel are inconsistent. One person may get updated at one meeting and not get further updates because they were not invited to the next five meetings. Other regular meetings are scheduled to discuss issues between the cooperating agencies and base command; however these meetings should focus on proactive, strategic decisions that reflect input from Guam local natural resource agencies, especially with regard to mitigation. Also, there has been little to no action and follow-up resulting from the discussions held during these meetings.

1.d. There is a lack of substantive information sharing. Information that is shared lacks crucial details (i.e., specific areas of impact, selection criteria, schedule, associated cost-benefit analysis) necessary for effective strategic planning and environmental assessments. Furthermore, information shared is sometimes contradictory. There are conflicting reports regarding basic information on the number of active and support personnel.

Also, in previous years, there has been a tendency for DOD to manage projects individually or in phases, including the determination of appropriate compensatory mitigation for each individual project. This approach is inadequate for a project of the size, magnitude, and complexity of the proposed military build-up associated with this relocation, especially given the highly inter-related and fragile nature of the natural resources on Guam's island ecosystem within the larger regional terrestrial and marine environments of Micronesia.

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There is no formal commitment for any financial assistance from DOD to address the major impacts to the community and environment of Guam resulting from DOD developments.

Infrastructure

In dealing with the military installations, our experience has been limited to a few discussions with the Joint Guam Program Office (JGPO) and the Naval Facilities Marianas (NavFacMar) Officials, and have been structured around “pre-notional, pre-decisional” and extremely-variable information.

1.a. We have had free and open contact with the military installations; however it has been conveyed on all occasions ...

- of their “still not having defined the roles & footprints” between the different forces (i.e., Army, Navy, Air Force, Marines, etc.),
- of the “many yet-to-be-determined unknowns” due to on-going, bi-lateral discussions with the Government of Japan, and
- of their consequential inability to deliver the “firmed-up figures” on growth, locations, requirements, timelines, and types thereof.

1.b. Installation Officials have been extremely cordial & cooperative, and have reached-out on a few occasions, however the content on the dialogues have repetitive, and are not substantive for the proper planning & provisioning of any given infrastructure.

1.c. Meetings have been few, irregular, dependent on when “officials” are in town, and not as productive as we would need for the planning and preparation for the Build-up.

1.d. The information provided-to-date from sessions with the JGPO / NavFacMar / DOD-DOI-IGIA / Cooperating Agency Officials have been extremely-vague and variable with respect to personnel movements, timings and financial assistance, and are still in the infancy stages of defining where we are, where we need to be, how do we get there, and who will fund what & when.

Ports and Customs

1.a. Communication and information is primarily funneled through the Civilian Military Task Force to the subcommittee. Because of the nature of the NEPA EIS requirements however, DOD is currently unable to narrow down the range of facility and operations options it is considering under the Guam Integrated Military Development Plan and its successor plans. This lack of specificity complicates the planning process for GovGuam as details of the DOD actions simply are not yet available. It's hard to provide specific comments on such non-specific proposals at this time.

1.b. At the request of various military officials, PAG staff have provided numerous tours of the Port facilities. This opens the dialogue between PAG management and military officials to see firsthand PAG's capabilities and restrictions, as well as obtain information about the authority's future plans to meet the demands associated with the buildup.

1.c. Although there are no regular meetings held between the Ports & Customs Subcommittee and military officials, there is representation by the Surface Deployment and Distribution Command on the subcommittee, which meets monthly.

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1.d. The Government of Guam received the Department of the Navy's projected increase in throughput cargo associated with the military expansion on Guam. This May 7, 2007 memorandum from the Joint Guam Program Office (JGPO) provided projections of inbound military container throughput volumes through the Port from FY 2007- FY-2018. This, as well as information gathered during interviews with DOD officials by the agency's Master Plan consultants have provided a baseline from which to plan port expansion and equipment requirements. Military installations have not provided any information on financial assistance.

Economic Development

We are free to contact JGPO and other military officials. However, responses are usually rare or untimely. We have requested the following and have received no response:

- Information about the economic impacts of proposed military expansion on jobs, revenue and economic activity including impact on cost of living.
- Copies of fact sheets we understand Navy provides regularly to Congress about the Guam buildup.
- Information regarding proposed small business training but since staff has been on leave.
- Information on the amount of money from the Japan Government that could be available for small businesses.
- Copies of previous Navy plans for Guam installations as a baseline for evaluating new plans, but were not given copies for reasons that the plans are out-of-date, security concerns, etc.
- Summaries of discussions between the United States and Japan.

Education

1.a. While communication is free and open, there is minimal information received due to it being pre-decisional and close-hold except through the DODEA superintendent and Andersen Air Force Base (AAFB) Education Officer. The DODEA superintendent and AAFB Education Officer is part of the subcommittee on Education and has been open and up front with information to see how DODEA and higher education plans on base have been unfolding, to the extent possible, to meet the needs of military and their dependents.

1.b. Cooperation and reach out concerning outside the fence education impact has been through the DODEA superintendent and AAFB Education Officer. DODEA superintendent has been supportive in maximizing transfer of excess equipment to the Guam Public School System (GPSS) as replacement equipment arrives for DODEA. AAFB Education Officer has been supportive in terms of better collaboration and identifying expectations that would meet military and their dependents' higher educational needs. During the week of January 14, 2008, the President of the Guam Community College (GCC) has been asked to participate in the Andersen Civilian Advisory Council. Through this Council, key business leaders and civic leaders will interface, in a social setting, with senior leaders of AAFB to discuss mutual concerns affecting residents on Guam.

1.c. The Education subcommittee holds regular monthly meetings and opens them to anyone who would like to attend. DOD dignitaries that have met once with the Education subcommittee for orientation include CAPT Robert Lee at JGPO and Mr. Gary Kuwabara from OEA. There are no military installation meetings which the Education subcommittee has been invited to attend.

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1.d. General information received, but, none for financial assistance. Pre-decisional information not ready for release to the public does not allow the Education subcommittee to conduct follow-on assessments on impacts outside the fence.

Housing

1.a. The experience in dealing with the military has been nominal at best. There has been little contact and interaction, especially at the subcommittee level. This lack of coordination and collaboration supports the community presumption that the military will proceed with their planning process, with little regard for community input or coordination. This is compounded by the military's stated position that financial assistance will not be provided by the military but rather by the Government of Guam and Federal agencies. Although information has been limited and slow to materialize, the relationship with military officials continues to evolve.

Health

1.a. Generally, experience has been good with free and open contact. Military has been cooperative as donors, especially with social services non-profit organizations and assistance with capital improvement projects and social service programs.

1.b. Generally good cooperation and reach out by installation officials especially with matters pertaining to local regulations and issues regarding shared resources. For example, technical expertise in health care and workforce leveraging by part-time employment, joint communiqués when handling pandemic influenza preparedness, social services – especially with Administration for children services and crimes against women and children. The military community has participated with volunteer social service programs, as well as participated in community based organizations, such like the Social Work Guam Chapter. The military participates in regular meetings – especially when it is multi-agency level. For example, services for women and children, as well as our professional organizations like, the Guam Chapter of the National Association of Social Workers, Individual, Marriage and Family Therapist Association. The USN has also been very active in attending meetings with the Civilian Military Task Force – Health and Social Services Sub-Committee. From time to time, military officials/representatives attend “subject matter” meetings as it pertains to a particular health or social service policy, as needed with health agencies.

2. How are the U.S. military and the community coordinating infrastructure needs (schools, utilities, roads, medical care, etc.) off the installations? To what extent are the military's infrastructure plans integrated with those of Guam?

Overall

Military defines its needs and Guam is expected to finance capacity upgrades. Working on integration scenarios, however, military buildup demands far exceed long-term capacity requirements... this is a point of discussion and concern, especially in light of military's non-commitment to assist with funding.

Environment

With regard to utilities, the military in some cases has developed independent utility infrastructure but it varies by utility. There are shared facilities in the area of wastewater treatment and disposal. The Air Force utilizes public treatment plants and ocean outfalls while the Navy operates one treatment plant and shares its ocean outfall with the local utility.

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The Navy's water system is integrated with the public system. However; the Air Force water system is largely independent of the public and Navy systems. There are concerns in the area of resource management as both public and the two military systems utilize the same Northern Aquifer. The Navy owns the Fena Reservoir in Southern Guam and has sold water to GWA, but may discontinue supplying the GWA if military needs require full capacity use.

System integration is fairly high but the question that is largely unanswered is how integrated will they be in the future. Since the tragedies of 9/11 and probably earlier the military's concern in infrastructure development has been to ensure mission essential redundancies where there is integration and when/where the military can build, own and operate independently, they have done so. An example of this is the system of new wells being developed at Andersen Air Force Base. The military had generally moved away from major integration efforts over the previous decade. Part of the basis for this may have been the public utility system's poor performance, lack of preventive maintenance and inadequate capital investment to ensure capacity to replace aging system components or future capacity.

The military's solid waste landfills at AAFB and Navy facilities are reaching capacity and future military non-hazardous waste should be directed to the new island-wide landfill facility being developed by the Government of Guam. The DOD has spoken favorably of using a single Guam solid waste disposal facility. However, this court ordered development is falling behind schedule and would benefit from military support.

Natural Resources

It appears that little if any, coordination has occurred between the community and DOD with regard to off-base installations. Local natural resource agencies have been contacted by military contractors with regard to infrastructure "inside the gate". For example, DOD water utilities built on-base will be using the Northern aquifer which is also Guam's civilian community's primary source of drinking water. However, it seems that DOD is not concerned with how this increase in demand will impact the community living off-base. Clearly, there must be significantly improved coordination and planning involving the community and DOD.

Infrastructure

The U.S. Military and the Community are not yet coordinating power, water, wastewater, communication, roadway and solid waste infrastructure needs off the installations. Conceptual discussions on holistically integrating shared systems have been had, however the respective Master Plans and the construct thereof have yet to be coordinated / agreed upon.

Presently, the Military's infrastructure plans have yet to be integrated with those of Guam; however discussions have been held in order to capitalize on redundancy, shared costs, economies-of-scale, and on what makes good business sense.

Port and Customs

There is "unofficial" talk of DOD building its own infrastructure support service facilities: electrical power generation, wastewater treatment, even maritime cargo handling capability. It is impossible to rule out consideration of such options because of the NEPA considerations mentioned above. This, too, complicates the planning process for GovGuam, as there would be less need to expand and upgrade the island's current infrastructure if the military growth is going to take place "off the (island) grid." The problem is that by the time DOD determines its way forward, there will be little time left for GovGuam to

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budget, plan and contract for the necessary infrastructure upgrades, should they be necessary to accommodate the DOD growth.

Education

For education, there is currently no integration of schools. DODEA is handling the military dependents (K-12) while the community is expected to financially support outside the fence schools (K-12) and higher education program expansions on its own to meet the increase in outside the fence workforce needs. However, DODEA officials have provided assistance on how they have created their landscape for education to support military personnel. This includes providing a tour of the most recent DODEA school facilities to share information on how they have maximized or structured their facilities to deal with particular issues.

Health

Generally from the health and social services perspective, we have little information concerning military plans as there is little information about the military. More specifically, it is inherently clear that based upon the Department Of Defenses' recent plans it is concerned about the port, road infrastructure and military housing, but DOD is not concerned about health and social services. If there are plans on health and social services, they have not been conveyed.

3. What are your concerns regarding the effect of the buildup?

Overall

Military timelines are aggressive and are greatly expanding Guam's planned improvements. The military's plans will place additional operational and infrastructural burdens upon the Government of Guam to accommodate the military's additional needs. However, the military has stated its intention NOT to provide direct funding.

Environment

We are concerned about most categories of impact but more in the areas of secondary infrastructure and land use/landscape/urban sprawl impacts. The direct impacts will likely be mitigated or capacity issues managed as the military will provide for its needs. The concern is how well the Government of Guam will handle community growth to support the military expansion. The Government of Guam does not have a land use plan relevant to current needs. The existing land use plan and most land development laws (zoning, subdivision and resort guidelines) are forty years old and urgently needing major revisions.

The Government of Guam also has very limited ability to manage compliance with existing laws and requirements. There are restrictions related to political will and priority as well as a lack of resources to proactively address land use and environmental compliance.

Natural Resources

We are concerned about ensuring that Guam's natural resources are protected and conserved, particularly marine, terrestrial and cultural resources such as coral reefs, native forest and associated habitats. DOD needs to ensure that the relocation and associated buildup are done in a way that has the least impact on these important resources. Another concern is the introduction of invasive species as a result of inadequate monitoring and enforcement at the posts of entry. These needs must be considered during the earliest planning stages. Due to the complexity of the issues we are concerned that the local government and federal resource agencies will not be able to provide meaningful input because we have not been

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given enough information from the military at this time. Given the magnitude of this relocation and expansion the process needs to be more closely coordinated with the local government and federal resource agencies.

We also would like to ensure that natural resources are not taken into account after-the-fact, and that natural resource impacts (e.g., lost coral resources) are mitigated appropriately. Infrastructure improvements should not be in lieu of compensatory mitigation for loss of natural resources (marine and terrestrial). Funding for compensatory mitigation must be of high priority. DOD must ensure the adequacy of mitigation funding for lost resources are included in the budget request to Congress.

We do not have adequate information on existing availability and use of critical resources such as drinking water and thus can not accurately model future levels needed for the increase in population and development associated with both the military build-up and the ancillary build-up "outside the fence" associated with the economic opportunities resulting from the military build-up. We are also lacking in capacity (manpower and funding) to obtain the information needed and to review all of the developments inside and outside the fence. How have communities on the US mainland of similar size dealt with these significant issues regarding similar build-ups? We are also concerned about a number of social and economic impacts that may affect the people of Guam from rising home prices, to infrastructure and governance.

Infrastructure

Our concerns regarding the Build-up are ...

- that our 212 square mile Island is too small for more than one (1), robust & reliable, power system, water system, wastewater, solid waste system, transportation system, etc.;
- that all power, water, wastewater, roadway solid waste etc. infrastructures need to be holistically-integrated and upgraded for the cost-benefit & quality of life of the entire, Civilian-Military-Commercial-Residential communities;
- that the current Infrastructure / Utility providers continue its focus on what it does best (infrastructure, utilities & support services), while the DOD continue its focus on what it does best (our National Defense); and
- that the Infrastructure / Utility providers exhaust every effort with the JGPO / NavFacMar / DOD-DOI-IGIA / Cooperating Agencies / its Membership on funding, and for the periods before, during and after the Build-up.

Port and Customs

Specific to the Port Authority, we are working on an accelerated timeline. With this tremendous influx of cargo slated to begin in a couple of years, our needs become immediate. While planning for an increase in capacity and efficiency, the PAG must factor in the lead time (procurement process, environmental clearances, construction period, shipping of equipment, etc.) for completion of these projects, all within a condensed time period. The major challenge at this point is obtaining funding for its near term and long term needs and projects, majority of which are infrastructure-related. While planning for the short-term demands of the construction boom, the PAG must also properly plan for its long-term needs. Although the PAG must be in a position to meet the demands associated with the surge in cargoes, we must also ensure that when the construction boom is over and cargo movement plateaus, the agency is not left with excess capacity in the categories of equipment and infrastructure and paying debt service for the same.

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Economic Development

Military expansion on Guam is supported because of its potential to grow our economy. However, the extent of growth has never been projected but should be in order to continue receiving public support. Military expansion should also afford local and small businesses with significant opportunity to partake in contracts awarded. However, the military acquisition plan does not provide any opportunity for local/small business participation at this time.

Education

For education, the greatest concern is the second order of effect of the outside the fence population increase directly related to the military expansion. The effects of this additional population increase results in the need of identifying location and additional funding to construct new schools outside the fence (K-12); additional funding to expand capacity of higher education to meet additional workforce needs; and funding to sustain the additional resources (facilities and personnel) during construction and post-construction phases.

Health

A main concern is having the necessary infrastructure (program, as well as other essential components like finances, personnel, regulations, buildings, equipment) in place to accommodate the needs of the population surge. This concern is heightened by the fact that presently Guam faces existing challenges to provide for services.

Approximately 10 to 20 percent of the client services provided by Sanctuary are to the military dependents. Sanctuary is a nonprofit organization that provides shelter and counseling services to youth and to their families. It expects the number of clients to increase as the local population will predictably increase as families arrive on Guam for employment opportunities. There is an enormous concern for the social impact the buildup will bring, especially among the youth. In addition, there are social, cultural, emotional and psychological dimensions to increasing military personnel and dependents to consider. Organizations such as Sanctuary must prepare to providing services and programs to a larger population of youth with unique issues and challenges with little or no assistance from the military. It is Sanctuary and other groups belief that, "Time is of the essence in order to meet the military buildup needs and Guam is not prepared financially to meet the demand."

Labor

The need for H2-B workers to fulfill construction work requirements will pose significant socio-economic challenges for Guam. The Guam Department of Labor (GDOL) increased its Alien Labor certifications requiring the department to increase regulatory and compliance monitoring pursuant to local and federal laws governing foreign workers on Guam. Housing and healthcare issues will arise due to the H2-B influx not to mention the workforce needs in specific areas to address those issues.

Public Safety

There will a wide range of effects from the military buildup; however, issues surrounding Public Safety are especially important. Many families will migrate from the Freely Associated States of Micronesia to Guam while others from the U.S. mainland will arrive to search for employment and other business opportunities. The rapid population growth will mean an urgent need for more uniformed police officers, firemen and emergency responders and their associated equipment. Adult and Youth Correctional Facilities will also see an accelerated demand in their operations as the population growth will tap their

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resources. Customs and Quarantine will also experience a workload of at least seven times the present workload due to the increase of cargo inspections and processing of inbound passengers at the Guam International Airport. The Judiciary of Guam also anticipates an increase in caseloads as a result of the population growth.

4. What are your plans to provide support infrastructure in the following areas:

- a. Schools/education**
- b. Housing**
- c. Transportation and roads**
- d. Medical care**
- e. Other support structure (utilities, water, sewage treatment, etc.)**
- f. Which are the "hot" buttons? Discuss.**

Overall

Military remains firm on its DODEA schools rather than seeking to assimilate those students into the local community schools. Guam seeks federal funding assistance from all relevant federal agencies regarding funding assistance to meet requirements in specified areas but have been unable to secure commitments for 08 and 09. Guam has been instructed to submit FY10 budget requirements to relevant federal agencies but no real indication that such considerations will be fully addressed within budget. All utilities are seeking private financing for upgrades; however, the exponential increases in costs associated with military needs cannot be fully covered from rate adjustments that will cause rate shock to the local community.

Environment

The Guam Environmental Protection Agency is mainly an environmental regulatory agency dealing with military structures and permitting military actions. To comply with environmental protection requirements, the island's water and waste water systems are being up-graded to meet immediate capacity and compliance requirements under a federal court order. This effort, which involves the expenditure of some \$200 million, does not incorporate the military expansion requirements. Furthermore, the court order will be modified shortly and will address infrastructure upgrades worth many hundreds of millions of dollars over the next 20 plus years. The military needs to be part of the current master planning effort and must participate as a partner in the island-wide infrastructure development. The military's needs were not addressed in any substantial way in the 2005 GWA master planning project. But corrections to this are being pursued.

Natural Resources

4.f. Hot buttons include cumulative and secondary impacts to natural resources and adequate compensatory mitigation. Compensatory mitigation includes planning, assessment, and long-term monitoring. The nature of the obtainment of funding for both these issues is very unclear. Furthermore, there will be a need for highly-skilled, short-term, project specific personnel to assist the local agencies to meet DOD's aggressive timelines.

Another hot button is the development of separate and distinct communities (inside the fence and outside the fence). DOD made the decision in the late 1990s to pull their dependents out of the Guam Public School System (GPSS) and put a great deal of investment in school/education inside the fence. There were and continue to be substantial shortcomings in the GPSS, but by choosing to pull out and setting up

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a parallel system with more funding, better infrastructure and higher paid teachers (many of whom came from GPSS), this created a very divisive situation in the community.

Infrastructure

Independent Master Plans have been completed / are underway for each of the Infrastructure types of power, water, wastewater, roadways, solid waste, etc., and (consequent to insufficient, DOD information) have been / will be structured to provide for normal growth patterns outside of the proposed, military trends. However, it must be noted that our interim, strategic, Goals & Objectives are ...

- to plan, coordinate & schedule the construct of all roadways, utilities, etc. such that costs are shared, economies of scales are realized, damages are averted, and customer inconveniences are minimized;
- to de-prioritize all DOD-related infrastructure until definitive information & funding are provided for its impact, while prioritizing all other community-related infrastructure with known impacts & funding; and
- to leverage Federal funding (i.e., USDOT-FMA-FHWA-FTA-NHTSA, DOD-DAR-OEA, DOE, etc.) & Local funding (i.e., THF, GPA, GWA, GTA, MCV, etc.) in the deployment of all infrastructures.

4.c. Transportation and roads: A Guam Transportation Plan is currently underway to identify transportation improvements for the normal civilian growth, as well as for the military growth (i.e., pre-construction, during construction, post construction, haul roads, roads abutting military installations, etc.).

4.e. Other support structure (utilities, water, sewage treatment, etc.): Each of the Infrastructure & Utility Providers either already have / are in the process of updating their Master Plans. It must be noted that same Master Plans are independent of each-other, and that collaborations are underway to holistically integrate all infrastructure for the Civilian-Government-Private Communities, and to include the DOD Communities within same & as they provide growth information for this inclusion.

4f. First, Guam has submitted the following reports for funding consideration, however & to date, there has not been any appropriation / allocation of funds:

- April, 2006 ... Governor's Infrastructure Improvement Forecast (\$945M),
- May, 2007 ... EIS-OEIS Scoping for DOD's Military Buildup,
- June, 2007 ... Gov's Infrastructure Improvement Forecast – Update (\$1.7B),
- August, 2007 ... Business Opportunities before the Guam Industry Forum (\$2.9B),
- November, 2007 ... Needs Assessment before the IGIA (\$3.2B).

Second, Guam has had quarterly meetings at the DOD-DOI-IGIA in DC to discuss / identify / report the impacts-funding-next steps; however, our "Infrastructure Break-Out Group" and Lead has yet to convene the requisite, detailed work sessions by & between the Federal Agencies and our Team.

Ports and Customs

Guam seeks federal funding assistance from all relevant federal agencies regarding funding assistance to meet requirements in specified areas but have been unable to secure commitments for 08 and 09. Guam has been instructed to submit FY10 budget requirements to relevant federal agencies but no real indication that such considerations will be fully addressed within budget. The Port, like the utilities, is seeking private financing for upgrades; however, the exponential increases in costs associated with

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military needs cannot be fully covered from rate adjustments that will cause rate shock to the local community.

Education

4.a. Based on the planning factors of outside the fence population increases due to the military expansion, we assessed the need for 6-9 additional public schools (K-12), and selected expansion of higher education facilities and personnel to produce the additional workforce needed. Additionally, higher education organizations anticipate an enrollment growth of 484 (community college) and 745 (university). Respective education levels are seeking appropriate and additional federal and local funding; looking internally to streamline processes and maximize use of existing facilities; assessing opportunities to co-locate new schools (K-12) with new housing communities to maximize usage and minimize costs; seeking common ground for opening DODEA schools with community schools; and assessing public/private sector partnerships. The college also proposed, several years ago, the possibility of using existing public school facilities as additional locations for after school career and technical programs. The college currently has a partnership with village mayors to provide adult education/GED courses in several village locations. The college is working to enhance these relationships as the demand for additional training increases.

Health

Infrastructure is important at all levels in the phases for the Guam Build up. As mentioned earlier, we are not aware of any plans or assessments conducted by the DOD regarding health and social services. As such, the Civilian Military Task Force's Committee on Health and Social Services has initiated an initial needs assessment and health and social services impact assessment survey. The information will be used in for our strategic planning to support medical care, as well as behavioral health and social services.

The military remains firm on maintaining DODEA schools presence on Guam, rather than seeking to assimilate those students into the local community schools. Sanctuary, Incorporated continues to serve youth of this population, primarily in its emergency shelter and Transitional Living Program. While in these shelters, the youth receive case management services, are possibly referred to other agencies for additional care and receive supportive counseling individually and with the entire family as much as possible. However, as mentioned in the previous response, funding may become an issue, as the military currently does not provide these same services and many military families continue to seek services in the non-military community.

Public Safety

4.f. The "hot" button issues surrounding Public Safety include the protection of the general public with a special interest of protecting the women on island. Reports from Okinawa have indicated high rates of violent crimes against women. Another major issue is the policing of Guam's community and the manpower required to provide and maintain law and order. A robust police presence in the community as well as a highly visible Homeland Security force will assist to ease the anxiety among the local residents.

5. Frustrations

- a) What concerns/frustrations do you have?**
- b) Are there any environmental issues?**
- c) Are there work force training issues?**
- d) Are you/have you been proactive in dealing with such issues?**

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Overall

The lack of commitment to assist in funding the massive expansion, not just to accommodate military buildup needs, but the necessary adjustments (as a result of the military buildup) in the local community. The tone of the military regarding local community impact and our long-term development needs seems to be that "it is Guam's problem to fix," when the military buildup is a national policy. Some of the environmental issues and concerns were submitted as scoping comments with respect to the proposed military buildup. These issues and concerns were submitted as a coordinated response by the local government to the OEIS/EIS presentation. The local government is taking a proactive approach by developing Apprenticeship programs with local organizations such as GCC to address limited work force issues by building capacity.

Environment

5.a. The military expansion will attract many thousands of immigrants from the region to fill service industry and other jobs. Local government is not resourced to properly assimilate these new residents into the community in many ways, socially, culturally, environmentally, economically, etc. Housing facilities for temporary workers (barracks) will cause many impacts involving land use and infrastructure permitting and planning by Guam EPA, Department of Land Management and GCMP staff to mitigate and control. Likewise, related increases in traffic and government services for the imported workers will demand Guam EPA, Department of Public Works, Guam Waterworks Authority, Public Health and Social Services, Department of Education GCMP and others attention. The DOD may not assume primary responsibility for these impacts, making the work of Guam agencies even more difficult. The immediate increased demands on water, sewage and solid waste disposal from the influx of new workers will only aggravate the existing severe violations of environmental standards by the Government of Guam, as illustrated by the Federal Court ordered Consent Decree and Stipulated Orders.

From an environmental protection perspective, the military carefully follows federal laws and regulations and does a fairly good job of protecting the environment through a number of environmental programs. Sustainable development practices are now a DOD policy to be applied, as is possible, on Guam. Permanent natural resource losses and operational or cumulative impacts are always a concern and they have to be mitigated appropriately. Guam EPA believes that the military will not be a major direct contributor to environmental degradation within the confines of the installations, although their activities need constant review and oversight of permits. One of the key concerns is that the military implement NEPA requirements closely and follow-through with mitigation, which means planning to pay for mitigation.

5.b. Suitable training is generally available for the environmental regulatory work force, but specialized training involves expensive travel. Acquiring and retaining qualified staff is a major problem because of uncompetitive salaries within the Government of Guam system. Significant numbers of well trained and qualified staff have left the Guam EPA recently and in most cases have taken employment with the DOD or its contractors.

5.c. The Guam EPA has been working proactively with U.S. EPA, DOD, local resources agencies and other federal resource agencies through an Environmental Forum meeting semi-annually on Guam since 2005. Currently, since June 2007, the Navy, Air Force, JGPO, U.S. EPA, Guam EPA and other local and federal agencies are primary partners in a Regulatory Partnership which plans quarterly meetings. These groups address routine working issues as well as the Marine Corps transfer/military expansion. A Subcommittee of the Environmental Forum led by Guam EPA has been meeting practically weekly with

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Guam DOD staff to improve permitting processes. A proposal to detail an intern from DOD to assist Guam EPA is under discussion. Another initiative resulting from the partnership is a proposed Charter on sustainable development and green building for the Marine Corps and other services as they plan and design future development. The Guam Environmental Protection Agency is also Chair of the Environmental Subcommittee of the Civilian/Military Task Force as designated by Executive Order 2006-10. Although the Guam Coastal Management Program (GCMP) had contracted a consultant for that Subcommittee to focus exclusively on strategic planning for military growth impact assessment and mitigation, the consultant has been re-assigned to the new Natural Resources Subcommittee to perform those services. Finally, the Guam EPA plans to advocate for various sustainable development or "Smart Growth" initiatives in 2008 to prepare to lead oversight efforts for the Government of Guam.

Natural Resources

We are concerned about personnel, funding, and mitigation options for lost resources. Also, the rotation of command and personnel associated with negotiations has been frustrating.

5.b. Guam is concerned with the impact to marine and terrestrial resources as a result of the military relocation. Furthermore, the impending relocation will significantly increase Guam's population (civilian as well as military). The increase in the movement of people, supplies will increase the potential for accidental introductions of exotic and invasive species. Infractions of Guam's resource laws will also increase with this influx of people; thus putting greater stress on limited enforcement. The island does not have sufficient funding to deal with the environmental impacts that will inevitably occur from this significant increase in population.

Also, Congress should be willing to create the political and funding environment that will allow for truly effective public participation and will allow DOD to proceed in a manner that meets the spirit and intent of NEPA. Congress should:

- Provide advance funding to allow for the collection of comprehensive baseline data;
- Allow broad oversight across multiple committees of jurisdiction in the Congress to ensure adequacy of funding not only for DOD but also for other key federal agencies;
- Enable and support legislation to allow funding of endowments for long-term stewardship of natural resources;
- Recognize that long lead times and project specificity normally associated with projects funded through the Military Construction (MILCON) process may require modification to provide DOD the kind of flexibility and agility that will be necessary to ensure that the project as a whole is one of true partnership with Guam--the timeline for this project, driven in part by political commitments given to Japan with regard to the timing of relocation of US forces now stationed on Okinawa, and combined with the need to adjust project planning based on public input and additional data as the project progresses, may not fit within the normal procedures and long lead times associated with the MILCON process.

In addition, throughout the planning process, special attention should be paid to preventing the spread of invasive species, both into and out of Guam. The increase in personnel and training activities, and subsequent traffic in and out of the ports of Guam, associated with the military build-up will significantly increase the risk of the spread of invasive species across the region. Currently, over \$10 million per year is spent on brown tree snake (BTS) control and eradication alone. The potential cost of a BTS invasion is immensely high. A University of Hawaii economic study recently estimated that the introduction of BTS

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to Hawaii could cost the state between \$29 million and \$405 million annually. DOD needs to implement expanded internal programs to control, eradicate, and prevent the spread of both terrestrial and marine invasive species. For example, currently there is no bilge-management plan in place for their port operations. Likewise, there are currently no plans to address introduction of invasive marine species attached to ship hulls, the threat of which would increase with increasing ship traffic. As ship activity on Guam is primarily related to the import of goods, and thus relatively little ballast water needs to be released into the harbor, the introduction of marine invasives through ship hulls may present even more of a problem than introduction via ballast water. DOD should develop and implement a plan and assist the Port Authority of Guam to do the same in order to effectively prevent the spread of marine invasive species and avoid ecological catastrophes often associated with introduced species. Further, the Governments of Guam and the Northern Mariana Islands need the support of the US Departments of Agriculture and Homeland Security-Customs Border Patrol to allow a higher level of prevention and quarantine capacity to protect themselves from new introductions of invasive pests that could threaten the fragile terrestrial ecosystems, economies and lifestyles of these islands.

Another environmental concern is related to previous agreements regarding environmental mitigation that the Navy has continually failed to deliver. Past mitigation needs to be corrected and guarantees are provided that they will comply with new ones.

5.b. Training in terrestrial and marine environmental impacts will be needed to sufficiently equip the current staff. Funding for short-term, highly-skilled, specialized, project-specific contract employees will be needed in order to meet DOD's aggressive demands. Funding will also be needed to contract expertise and equipment in order to meet environmental response requirements.

5.c. The local natural resources agencies are developing a strategy to address resource concerns and identify gaps in legislation. Natural resource agencies have been working with federal agencies to assist in building capacity. Other efforts include a new Guam law (P.L. 29-51) on protecting our water rights, CUC efforts to get DOD to plan with them on infrastructural needs, establishment of CMTEF, developing a comprehensive mitigation strategy, allocating some federal grant money to address the build-up (e.g. Coral Reef Initiative Management Grants).

Infrastructure

We have many concerns / frustrations, some of which have been identified above, and fundamentally are ...

- not being able to receive definitive / complete information on this Build-up,
- observing the DOD-JGPO's allocation of millions of dollars to assess the Build-up & impacts thereof, yet the Guam Community has yet to receive comparable funding for its own assessment;
- as a result of the above, we have lost the opportunity to be included / obtain impact funds / reasonable earmarks within the Federal government's Fiscal Year '08 and Fiscal Year '09 budget acts; and
- observing piece-mealed yet substantive growth & construction activities under the guise of normal DOD activities, yet the cumulative impacts have yet to be assessed.

5.c. We have been proactive to the extent that we have constantly requested for information & funding, however to no avail.

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Ports and Customs

The GAO report states "the Marine Corps on Guam will depend on strategic sealift and airlift." Guam is not currently designated as a Strategic Seaport/Military Outload Port, although U.S. TRANSCOM is reported to be considering such a designation. If Guam were to be designated a Strategic Seaport/Military Outload Port there would be an increase in U.S. Coast Guard workload, i.e., required creation of a Port Readiness Committee, conduct of Military Outload exercises and additional maritime homeland security taskings that could require additional USCG resources and seriously impact commercial and recreational users of Guam's multi-use Apra Harbor. There is still a lack of information regarding the cargo origin, domestic versus foreign, applicability of the Buy American Act and cargo preference with respect to the DOD construction projects. There is a possibility of increased inspections ranging from agricultural to contraband, which may adversely impact the flow of commerce.

5.a. CIPs will require environmental permitting and clearances, which as we all know can be a lengthy and time consuming process. Given the nature of the port expansion and the compressed timeline, the port must continue close coordination and dialogue with regulatory agencies. PAG has every intention of adhering to local and federal requirements.

5.b. Training, recruitment and retention plan

5.c. Recently, the US Department of Labor approved the apprenticeship standards program for the Port Authority. After months of working with the US DOL to establish the guidelines and ensuring that the Port complied with national standards, the program was launched in Spring 2008. This Apprenticeship program is not only a key element in preparing our employees for future port expansion and the anticipated military buildup, but it also an opportunity for the development and enhancement of personal skills for career advancement.

Also related to work force issue, PL 29-10 was passed to allow PAG to hire casual employees on an "as needed" basis as well as establish a compensation plan to recruit and retain employees.

Economic Development

Our concern is that local/small businesses will not have the opportunity to participate in contracting opportunities as prime contractors. If opportunities are available for local/small businesses as subcontractors, these opportunities will only be available during the first year of contracting since the military does not monitor compliance with subcontracting plans. These concerns appear to be born out by Guam's previous experience with Base Operating Support contracts and efforts should be undertaken by the Navy to thoroughly review the BOS experience from the standpoint of local/small business participation. We are proactive in dealing with the Small Business Administration and other small business advocacy groups but cooperation by the military is essential if we are to be successful in providing local/small businesses opportunities.

Education

5.a. Primarily the lack of additional funding needed for the additional education infrastructure and capacity expansion for outside the fence population increases directly caused by the military expansion, a national policy initiative. Another concern is the lack of information needed to appropriately plan. For education, the lack of numbers and information on areas of occupational requirements hamper our ability to plan for the increase in the number of skilled laborers in time for the construction boom. This also extends to other professional occupations to include nurses/allied health personnel, engineers, educators, counselors, social workers, environmentalists, accountants, finance/economists, hospitality managers, technologists, safety personnel, advanced project management assistants, and business managers, etc.

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5.b. With the potential for 6-9 additional public schools (K-12), we anticipate environmental issues based on limited locations to build them.

5.c. Yes. While there are efforts to address workforce training issues and meet those needs we are aware of, the ability to produce and sustain sufficient numbers in the workforce is questionable at this time due to constrained timeframe, limited resources, and lack of a comprehensive, quantified workforce listing.

5.d. Yes as respective education agencies are identifying pockets of grants and funding sources to address known workforce needs that are not currently offered. Higher education agencies have streamlined certain programs to produce more teachers and continue to graduate students to qualify for job opportunities. Some programs have incorporated internship into their curriculum to assist in current issues while earning credit towards their degree. However, there is concern about our inability to surge to meet the anticipated higher numbers of workforce needs because current personnel are already working on overload levels to meet current demands.

Housing

5.a and 5.d. Although information has been limited and slow to materialize, the relationship with military officials continues to evolve. There are indications that DOD may be receptive to the idea of a consolidated and integrated program with the Government of Guam. This is evident by their consideration of a conversion of the temporary workforce housing, into permanent affordable housing upon substantial completion of military construction projects.

Despite these conditions, the Housing subcommittee has been diligent in its planning by determining key concerns that will need to be addressed such as:

- the availability of affordable rentals and purchase units,
- increased homelessness, and
- astronomical real estate appreciation.

Committed to addressing these concerns, we have proactively seized opportunities to engage with the military, Congress, and our Federal partners through attendance at IGIA meetings in Washington D.C., Federal Regional meetings in San Francisco, close coordination with Guam's Congressional Delegate, community outreach, and submission of point papers to DOD officials and Federal agencies.

The following are avenues we will pursue in order to address the potential impacts.:

- Conduct a comprehensive housing study for Guam
- Increase Low Income Housing Tax Credit allotment for Guam
- Change USDA designation of the entire island of Guam as "Rural Development Zone"
- Request additional CDBG supplementary budget of \$200M for FY2009-2013.
- Secure additional land resources from Gov. Guam for affordable home subdivisions
- Float a housing bond to construct new housing and rental subdivisions.
- Examine and eliminate regulatory barriers to affordable housing
- Propose local and national legislation to assist developers and contractors with tax and regulatory incentives to target affordable housing programs.

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The biggest challenge continues to be financial assistance, especially from the military, and a lack of consistent and timely information from the military. In order to plan properly and mitigate the adverse impacts of the buildup, we need critical information immediately and funding to implement plans.

Health

5.a. Health and Social Services is not a priority for military expansion by Department of Defense. The Joint Guam Program Office (JGPO) has not initiated or made any recent attempt to express any concern to address the health and social services needs for the civilian, as well as for the military populations. The CMTF-HSS has not received any phone calls, letters or invitations from JGPO to review or comment on military plans on health and social services. It is assumed, therefore, there are no plans and no funding to assist the impact which military expansion/relocation will have to the Guam community. To date, members from the Government of Guam, non-government organizations and professional organizations have been utilizing their resources and time to address the needs for health and social services as a result of military expansion and relocation to Guam and not just to military installations. To date, the CMTF-HSS has not received any discretionary funding or technical assistance from DOD or JGPO (nor does it expect to at this time) to lead efforts for this expansion. There is the assumption by DOD that the military expansion will have no impact to health and social services, as well as to special populations to include women, children & youth and the elderly as it will be responsible for military installations and active military personnel and their dependants in the Guam community. As such, there is the perception that the military (JGPO and DOD) is responsible for advocating that they are not responsible for the social, economic and environmental impact to Guam's community. There is also the perception that the burden of responsibility of the Guam Build Up has somehow shifted from the federal government to the local government.

Public Safety

The "hot" button issues surrounding Public Safety include the protection of the general public with a special interest of protecting the women on island. Reports from Okinawa have indicated high rates of violent crimes against women. Another major issue is the policing of Guam's community and the manpower required to provide and maintain law and order. A robust police presence in the community as well as a highly visible Homeland Security force will assist to ease the anxiety among the local residents.

Labor

5.c. Work Force Training Issues: Training capacity and availability of a skilled workforce are inherent challenges when facing job growth resulting from a massive military buildup. The need for skilled labor in the construction industry alone has created enormous challenges for Guam that require temporary alien labor certifications to satisfy the demands, as well as aggressive training options for the local workforce. The Civilian Military Taskforce Labor Sub-Committee (CLFS-LSC) and Guam Workforce Investment Board continue to implement training initiatives to deal with the construction needs and as well as industries that are forecasted to provide economic growth and sustainability for Guam. To be able to meet short term and long-term workforce needs, the lack of sufficient funding for training and education will be a major obstacle for Guam's planners and policy makers.

While there are efforts to address those issues and meet those needs we are aware of, the ability to produce and sustain sufficient numbers in the workforce is questionable at this time due to constrained timeframe, limited resources, and lack of a comprehensive, quantified workforce listing. We anticipate the need for construction trades and other professionals to include nurses/allied health personnel,

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engineers, educators, counselors, social workers, environmentalists, accountants, finance/economists, hospitality managers, technologists, safety personnel, advanced project management assistants, and business managers.

5.d. The CMTF-LSC and the Guam Workforce Investment Board continue to pursue innovative solutions to ensure that Guam is able to train its local workforce by seeking partnerships with private and government entities. The CMTF-LSC is also actively engaged in the Interagency Group for Insular Areas (IGIA), the Federal Regional Council in San Francisco and US Department of Labor, Employment and Training Administration (USDOL ETA), San Francisco, to ensure Federal counterparts are fully aware of the labor challenges facing Guam and the region.

While the impact will primarily affect Guam, a regional approach has emerged, as it will be expected that neighboring island citizens will seek employment opportunities on Guam. Training and workforce capacity are being discussed for citizens of the outer islands. The Chief Executives established the Regional Workforce Development Council tasked with addressing a myriad of Workforce Development and Training issues as well as developing a five-year regional strategic plan. The first meeting will be held on Guam on January 28 and 29th 2008.

6. Funding challenges? Where are you getting money?

a. Has Guam identified the amount of funding needed?

b. What plans have been or are being developed and what is their status?

c. How much financial assistance is needed?

General Comments

As mentioned in question 4 comments, estimated needs assessments with costs estimates have been developed and are based on very preliminary information provided by the military. Some government agencies have also contracted for master plan development in response to the military/Guam buildup.

Environment

6.a. & 6.c. Needs assessments for Government of Guam operations to address the increased needs due to military expansion have been developed by the Guam Civilian/Military Task Force in July 2006 and in updated versions in July 2007 and November 2007. These are available from the Bureau of Statistics and Plans.

6.b. The major responsibility to review and regulate military projects and programs and administer permits that minimize adverse impacts and maximize economic and quality of life opportunities is local. However, local direct budgeting from Guam's annual General Funds for supporting Guam EPA has dwindled to zero in recent years, while ongoing work is supported by Federal EPA grants and by fees collected from permits and penalties from violations. Local funding for other agencies in the Subcommittee is also very limited. We see a very important role for the military (federal government) to provide and/or pay for the technical planning and program development assistance above and beyond local government's current capacity or help Guam in obtaining that assistance. Both direct and indirect off-installation impacts are mostly local government's to manage, but, given the local government's track record at managing growth, it will be too slow to react with the appropriate level of funding. The military or appropriate federal entity should oversee how Guam assesses, plans and implements mitigation using federal resources.

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As noted under Question 5, above, a critical human resource concern is the affect the planned military expansion is having on critical technical/professional staff in the Government of Guam. The military has drawn workers away from local government. Federal employment, and the private companies involved in the same enterprises and activities are more attractive to current government workers. This loss of an already limited resource, especially those with high levels of institutional and management knowledge, has compounded local government's ability to respond appropriately. Such loss of human resources threatens to escalate. While the good federal and private jobs are much desired, there must be a plan to bring compensation packages in local government up to par in order to balance and off-set the affect of job migration from local to federal or local (government) to private companies. If local legislation does not improve salaries and benefits, it should assign contractual funding to cover the human resources needs or supplementary federal funding should provide for such contracts.

Natural Resources

Funds for short-term, highly-skilled staff capacity to adequately review the EIS, federal consistency, and other required permits are lacking, especially considering the aggressive time frame. Monitoring of the various projects, conducting key studies, and collecting baseline data requires a funding source(s) that has not yet been identified. At present we do not have the funds to address any shortfalls.

6.a. Yes, a preliminary needs assessment have been completed and submitted to the CMTF for natural resources. A copy of the natural resources needs assessment is included in the Government of Guam's November 2007 needs assessment to meet the challenges of military growth. A copy of the Needs Assessment was provided to the GAO.

6.b. In addition to the capacity needs assessments, the development of a sustainable finance plan for natural resource management needs and meeting the goals of the Micronesia Challenge is currently underway. Preliminary assessments of current and future needs have been compiled; the final plan is expected by mid 2008.

6.c. An identification of the amount required is identified in the November 2007 Needs Assessment, a copy of which was provided to the GAO. The GAO needs to review how much funding is provided to other communities that are impacted by base establishments/expansions. Guam has not been given any indication that funding will be provided to address the impacts to the local community.

Infrastructure

Further to the discussion in no. 4 above, we have identified the infrastructure components, the required funding, the proposed timelines, and the proposed pro-rata share among varying funding sources. Of importance to note, and as a consequence to this Build-up are ...

- that the proposed infrastructure was for normal civilian growth patterns, did not provision for the military's growth, was to be constructed in a planned, timeframe spanning over 10 to 20 years, and was to be funded by conventional, revenue / allocated sources; and
- that the military's Build-up fundamentally increases the Infrastructure requirements, requires that same be constructed within compressed timeframes that span between 2 to 5 years, and without any defined funding above & beyond the Community's means.

Efforts to obtain funding are on-going, and are focused on advancing monies prior to the Build-up. Furthermore, discussion has been had to commission a Financial Impact Study to assess and comprehensively-address the infrastructure and others requirements.

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Ports and Customs

6.a. The draft of the Port Master Plan Document lists a capital cost estimate of 193+ Million dollars for Port Modernization. The consultant for the Master Plan has been tasked to separate the capital costs into two components, one estimate specifically due to the military buildup and one for the normal population growth patterns for Guam and the region.

6.b. The PAG's DRAFT Master Plan Update will be up for a Public Hearing on March 5, 2008. It is expected that the final document will be forwarded to the Governor of Guam by April 2008, when he will transmit to the Guam Legislature for approval/adoption.

6.c. The PAG's needs are not funded. Recommendations in the DRAFT Master Plan is expected to reach \$193+ Million and as stated in 6.a above, a breakdown of the estimated costs attributable to the military buildup and normal growth will be calculated and provided at future date. The DRAFT plan for the port projects major improvements to wharves and terminal expansion due to the military expansion for a short time period (during the construction build up period, i.e. 2010 thru 2015.) The DRAFT plan calls for the above improvements to be in service by 2010 or 2011 and thus, PAG continues to struggle with obtaining definitive financial assistance plan from DOD. This unresolved financial issue is a perfect storm fast approaching if DOD continues to be non-committal in assisting PAG with acquiring the required infrastructure.

Economic Development

Funding for current work is obtained from local sources. Our needs assessment indicates that \$30 Million is needed to perform economic impact studies; determine small business capabilities; obtain financial advisory services (to improve bond ratings); establish a small business revolving loan program; and to conduct feasibility studies for development of certain public lands in support of military growth.

Education

Funding challenges exist based on accelerated timelines of when infrastructure and personnel are needed. Additional funding still needs to be identified. In the meantime, pockets of federal grants are being pursued, but, are insufficient to address the overall needs. There has been an increase of interaction between federal agencies on providing information for possible funding opportunities. This has helped to identify some areas where funding can be used to support educational objectives.

6.a. Additional funding still needs to be identified. In the meantime, pockets of federal grants are being pursued, but, are insufficient to address the overall needs. There has been an increase of interaction between federal agencies on providing information for possible funding opportunities. This has helped to identify some areas where funding can be used to support educational objectives.

6.b. Preliminary or start-up numbers have been provided based on key assumptions in our needs assessment. What plans have been or are being developed and what is their status? See 4a for general plans which are on-going.

6.c. Initial assessment as start-up numbers are provided below based on current cost assessments. We anticipate at least a 35% increase in construction/renovation costs in the out-years. This does not include cost for sustained maintenance and insurance.

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Level of Education	Estimated Start-up Funding	Areas Impacted - Now and FY2010
GPSS	\$103.1m - \$172.5m	6-9 New Schools Land, Construction, & Collateral Equip/Supplies
	\$17.5m - \$28.5m	Personnel
GCC	\$13.8m	Post-Secondary Education Construction & Collateral Equipment
	\$12.4m	Secondary Education Construction & Collateral Equipment
	\$2.8m	Personnel
UOG	\$25.9m	Post-Secondary Education & Community Support Unit Construction & Collateral Equipment
	\$4.2m	Personnel

Health

Generally, funding comes from local appropriations and from federal grants. Funding shortages exist in health and social services. Early estimates for the Health and Social Services system are already over \$200 million to fund acquisition, improvements, and expansion to infrastructure, staffing, and equipment for the Guam build up. The primary challenge is that it appears that Guam will have to produce a lot of reports and studies and justify and fight for funding from the federal government when there should already be a process in place to send discretionary funding to support needs assessment plans, etc. Unlike JGPO, Guam does not enjoy a budget dedicated to the Guam Build up and a full staff dedicated to technical work such as assessments, fiscal forecasts, lobbying multi-year funding with policy makers to support programming and capital improvement, etc. Guam will need assistance from Congress and the federal government to include raising grant formula caps, the Medicaid cap, and other regulatory restrictions due to population and other issues related to our political status. Guam will need dedicated and discretionary funding starting in FY09 to address health and social services, and special populations programs.

Labor

The Guam Department of Labor/Agency for Human Resources Development receives formula funds from USDOL ETA, OSHA and Bureau of Labor Statistics. Workforce training funds and funding for numerous mandated federal requirements are funding challenges that will only increase with the growing labor demand. GDOL/AHRD is currently pursuing a grant from ETA to assist in planning and implementation of workforce development goals and objectives. Funding challenges exist based on accelerated timelines of infrastructure and personnel needs. Additional funding still needs to be identified. In the meantime, pockets of federal grants are being pursued, however, are insufficient to address the magnitude of the critical demand.

6.a. At the last IGIA meeting in November 2007, the Chair and Co-Chair of the CMTF-LSC identified a need of \$45 million to fund apprenticeship and pipeline programs. These numbers reflect the cost to train an apprentice for four (4) years as well as cost for the boot-camp program. These pipeline initiatives are only a percentage of what is truly needed to fund the demands for the workforce development and training. Guam Labor planners are consistently gathering available data to make assessments on costs associated with training. Further needs assessments and data gathering activities will be conducted to identify costs. In addition to the training costs, CMTF-LSC has identified a total of \$5.5 million in administrative fees.

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6.b. Through Guam's Workforce Investment Act Title 1B and Wagner Peyser Workforce Investment System State Plan and Plans of Work 2007-2009, activities are being planned to address military build up and regional economic development. The Guam Department of Labor/Agency for Human Resources Development continuously awards formula funds from USDOL ETA to provide training and education opportunities for the citizens of Guam. In addition, GDOL/AHRD is currently pursuing the USDOL ETA Regional Innovations Grant that will assist in planning and implementation of workforce development goals and objectives. The GDOL/AHRD will aggressively pursue funding opportunities from Federal, Local and private entities.

Public Safety

Under Public Safety, the funding needs for personnel and related equipment is estimated at nine million dollars (\$9,000,000.00) per year for least four (4) fiscal years beginning with FY 2009. This amount does not include the construction cost for new facilities that will be required in those locations most likely to have the greatest population growth resulting from the military buildup.

7. Has the community been provided the latest estimated stationing (number of troops and when they will arrive) information?

Overall

As the numbers are released they are disseminated via local news organizations. The numbers are based on the proposed Marine relocation and other armed forces buildup.

Environment

We periodically are provided by the Joint Guam Program Office with updated numbers and notional plans for proposed military stationing on Guam but with the caution that no final facilities plans can be provided until after the EIS/OEIS process allows. We believe the general figures have been provided; however, what most in our community may not understand fully is the impact or cumulative growth of all services in Guam over the next ten years. The public is keyed into the fact that 8,000 Marines may be coming and that the total population growth is on the order of 30 to 40 thousand, but more exact numbers and types and locations of facilities planned are probably known within DOD and gradually being made available. The EIS/OEIS will hopefully provide more precise information. But non-military growth and developments off-base that are triggered by the DOD expansion may not be adequately covered. The military should carefully and accurately characterize "cumulative impacts", including impacts of construction workers and off-base developments triggered by the military expansion. If military growth impacts are assessed by each project, there will be gap impacts that will probably not be properly addressed. But if a broad, comprehensive assessment is made, important details of individual projects will be missed. Therefore, information from the major EIS/OEIS will need to be augmented with specific project information, probably through supplementary EIS's.

Natural Resources

No

Infrastructure

The community has been provided with the estimated stationing (number of troops and when they will arrive) information, however same has been structured around an extremely-dynamic & moving target of

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preferred alternatives ... i.e., information that is not useful for planning & engineering for the impacts and Build-up.

Port and Customs

Reports on various media outlets have hinted at potential delays in the relocation of forces from Okinawa to Guam; however, no official announcement has been received.

Economic Development

Yes however, arrival information seems to be changing from 2010 to 2012 but no official announcement has been received.

Education

Only in general terms and broad timelines has information been provided.

Health

No. CMTF-HSS has participated in JGPO sponsored events such as EIS and Industry Forum meetings. Information fluctuates. CMTF-HSS will need information of the cadre of military and contract personnel it plans to bring to Guam to provide services in health, behavioral health and social services.

8. What issues do you have with the amount and resource of skilled construction workers to build facilities?

Overall

Guam needs special consideration to bring skilled labor to Guam in order to meet the military buildup needs and the local community development needs that will occur simultaneously. Our small island community cannot sustain an adequate local work force to meet the tremendous demands. There is a concerted effort to address those needs by regional training initiatives and other such development efforts with the other insular areas. This move will definitely tax the entire gamut of all available resources, from infrastructure, health care facilities, affordable housing, public safety, faith based resources and other impacted areas of the community.

Environment

No matter its origin, temporary construction labor and its demand for resources and its draw on infrastructure and services can be very significant, as evidenced by the tourism development boom on Guam twenty years ago. We have already become aware of the private sector plans to obtain permitting for greatly increased imported temporary laborers in the near future. Workers from outside the US should be instructed in Guam laws and regulations by their employers, especially environmental and conservation laws. If workers do not understand English, their employers should provide translators for such instruction.

Natural Resources

More people will increase the impacts to the natural resources. Several important questions must be addressed regarding this issue, including:

- Where will the skilled construction workers come from?
- How many of them will be coming?
- How many will be local?
- Where will they be housed?

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- How long will they remain on Guam?
- Who will ensure that these workers are informed about local rules and regulations?

Infrastructure

Fundamental to the “laws of supply & demand”, and consequent to the Build-up, we anticipate the costs for labor-materials-overhead to dramatically increase, the availability of labor-materials to substantially decrease, and all activities to reach unprecedented levels whereby ...

- the Community will have to pay more dollars for less infrastructure;
- the Community will have to defer Infrastructure improvements due to Contractors patronizing “MilCon” contracts over Community contracts; and
- the Community will have to increase rates among its subscribers to sustain fundamental infrastructure, and its corresponding debt service.

Ports and Customs

As much as possible, we would like the local workforce to get the jobs. Unfortunately, we know that Guam has a limited workforce and because of this there will be an influx of foreign workers to the island. This will impose a serious strain on the island’s medical facilities.

A potential delay in the delivery of consumer goods and construction materials to the community may occur as a result of the implementation of the Transportation Worker Identification Credential (TWIC) program. Biometric-based credentialing the TWIC smart cards will be required for any individual to gain unescorted access to secure areas of maritime facilities and vessels. A key requirement to obtain a TWIC card will be the satisfactory completion of a security threat assessment by TSA for the individual seeking the credential. Permanently disqualifying criminal offenses and interim disqualifying criminal offenses that result in the denial of the TWIC card for an individual may result in an overall reduction of the work force available for construction of PAG facilities.

Education

As the need for skilled laborers in the construction industry increases in support of military projects, other projects such as local housing and educational facilities will have to seek additional laborers to complete their requests. Without the adequate projections on the numbers and occupational areas needed for the workforce, it is difficult to project or initiate training in these areas. Additionally, as individuals are trained, there is no pipeline currently to get them into the workforce until the contracts have been awarded. The timing of the need and the training must be aligned so that students are not frustrated with investing in their education/certification, without knowing if employment will be obtained in a timely manner.

Health

The need for services to address public health mandates, sanitary and health certificates and immunization to nonimmigrant construction workers will be of significant concern. As with any population increase, issues such like social integration and fragmentation, substance abuse related crimes, communicable related diseases in high risk communities, the importation of products without accounting for meeting regulations and standards and the impact on emergency rooms and crisis hotlines and critical social services remain a concern.

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Guam cannot supply the skilled laborers needed for construction demands of the expected military buildup. Courses could be immediately started in Guam Community College, especially in courses related to the construction needs.

As Guam's labor pool of skilled construction workers is limited, foreign workers will need to be contracted and brought in. Currently, we have no information on the military's plans for health screening exams for these workers, provision of health care or health insurance, or security arrangements to ensure these workers do not overstay their visas.

The people of Guam need special consideration in developing the skilled workforce here at home, as opposed to relying solely in importing workers from foreign countries. The basic programs exist here in the community, but must be revitalized. The local people must be given an incentive to learning the construction skills required for the buildup, such as transition into job placement with the military or military contractors. Skilled construction workers will also have an impact on our human service system as they too will be adjusting to life on Guam and be interacting with the military and local population.

Labor

The current labor force on Guam is inadequate to meet the demands of the military expansion. It is estimated that the demand in construction alone will require an additional 15,000 to 25,000 workers during the building phase of the expansion. The workforce on the island will be augmented mainly with foreign workers. Guam's current labor force can meet a small portion of the increased demand for construction labor in the initial phases of the military realignment. Guam will need to explore alternatives of augmenting both its high-skill and trade-oriented labor force with foreign temporary labor. This may involve a temporary exemption from the existing cap on "H" visas or exploring the political feasibility of innovative solutions like the "Guam-only" H visa. Guam will also need to manage the influx of foreign temporary workers by setting rules that ensure that foreign temporary labor does not adversely affect the quality of life on the island. This will mean managing the effects of foreign temporary labor on the social and cultural fabric of the island, on public health, on housing, on cost-of-living, and on the physical environment.

In addition to military construction, the Government of Guam is ramping up its own efforts to improve and expand critical public infrastructure to accommodate the planned military build-up. Over the next ten years, the Government of Guam foresees the need to invest approximately \$3 billion in civilian public works projects on the island. This amount includes \$1.575 billion in highway projects, \$660 million in power projects, \$487 million in water and wastewater projects, and \$230 million in solid waste projects. This does not include an estimated additional \$77.4 million in maritime infrastructure projects at the Guam commercial port and \$150 million in aviation projects at the Guam international airport. A culmination of these construction projects in addition to other industry shortages will exacerbate Guam's Labor challenges in the construction industry.