



# Guam Economic Development and Commerce Authority

*Aturidã Inadilãnton Ikunumihan yan Kumetsion Guahan*



Governor  
Felix P. Camacho

Lt. Governor  
Michael W. Cruz M.D.

## MEMORANDUM

Date: April 4, 2008

To: Governor  
Lt. Governor

From: Acting Administrator

Subject: Weekly Status Report –Economic Development Subcommittee (EDS)

Activities of the EDS during the week of March 31 through April 4 2008 include:

As a follow up to our last report, the Guam Economic Development and Commerce Authority (GEDCA), the Guam Office of the U. S. Small Business Administration, the Small Business Development Center (SBDC), the Pacific Center for Economic Initiatives (PCEI) at the University of Guam, and the Defense Logistics Agency (DLA) PTAC grants manager in Washington DC, have been in discussions regarding program design and implementation of the Procurement Technical Assistance Center (PTAC) grant program. The grant will provide a maximum of \$600,000 to assist small businesses in obtaining counseling and training assistance to obtain defense contracts associated with the Guam Buildup. We have been advised by DLA that final program regulations will be issued by the end of this week, after which time, all applicants for PTAC funding must submit their applications within 20-30 days. As a result of these recent discussions, it has been recommended that the University of Guam’s School of Business and Public Administration (SBPA) lead the preparation of the application with assistance from appropriate agencies and administer the PTAC program under a new PTAC division within SBPA. A PTAC satellite unit will also be initially created at GEDCA with other satellite units created in other locations as needed.

Attached is a copy of memo transmitted recently to your office recommending SBPA as the grantee for PTAC along with a prepared letter to DLA designating SBPA and confirming its eligibility. We also prepared a press release for your office along with the memo and letter, with the recommendation that it be publicized once you have signed the letter to DLA.

The next scheduled meeting for the EDS is at 2pm on Thursday, April 17, 2008.

Put Respetu,



ANTHONY C. BLAZ

Attachments

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Governor  
Felix P. Camacho

# Guam Economic Development and Commerce Authority

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Lt. Governor  
Michael W. Cruz M.D.

## MEMORANDUM

Date: April 4, 2008  
To: The Governor  
From: Administrator  
Subject: Procurement Technical Assistance Center Program

Governor, as you may recall, Major General Bice mentioned to you that GovGuam could apply for a Procurement Technical Assistance Center (PTAC) grant from the Defense Logistics Agency (DLA) which will provide a maximum of \$600,000 to assist small businesses in obtaining counseling and training assistance to obtain defense contracts, especially those associated with the Guam Buildup. Since assistance to small business is a major focus of the CMTF's Economic Development Subcommittee which I chair, you instructed me to evaluate this program and to advise you on its requirements. We have evaluated this program in collaboration with the Guam Office of the U.S. Small Business Administration, Guam's Small Business Development Center, the University of Guam's School of Business and Public Administration (SBPA) and the DLA PTAC grants manager in Washington DC. For the reasons explained below, we recommend that the UOG's SBPA lead the preparation of the application with assistance from the aforementioned agencies and administer the PTAC program under a new PTAC division within SBPA. A PTAC satellite unit will also be initially created at GEDCA with other satellite units created in other locations as needed.

We base this recommendation on the following reasons:

- The Pacific Islands and Guam Small Business Development Center at the University of Guam already provides counseling and training for small businesses under a grant from SBA. SBA reports that the SBDC has been effective in the provision of services. Although SBDC will not become the PTAC due to its use of SBA funding, its organizational location within SBPA will allow close coordination and collaboration in the provision of services to PTAC clients.
- Based upon our research, 35% of the PTACs throughout the U. S. are administered by universities. By comparison, 26% are nonprofit organizations that receive financial support from DLA and state or county governments; 19% are state or county economic development departments; 7% are Native American

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organizations; 4% are Chambers of Commerce; 4% are regional organizations (nonprofit); and 4% are community colleges.

- SBDC already provides counseling and training services to FSM, RMI and Belau and although DLA is currently evaluating whether the Guam PTAC can provide service to clients in these areas and the CNMI, relationships have already been developed by SBDC with these jurisdictions.
- UOG can provide the 25% local match (mainly in-kind) for the program. DLA will determine whether the waiver of local match allowed by the Organic Act is applicable, since it may conflict with PTAC federal law.

We have been advised by DLA that final program regulations will be issued by April 7, 2008. Thereafter, all existing and aspiring applicants for PTAC funding must submit their applications by May 7, 2008. The PTAC program is a highly competitive program and the application itself is complex, requiring an analysis of local small businesses and the establishment of program goals based upon this analysis. While the aforementioned agencies have begun application development, it is hoped that the application can be submitted with a transmittal letter from you, well before the end of the 30 day deadline to take advantage of DLA's offer of assistance in reviewing Guam's submission. However, full development of the application cannot occur without your approval of the entity responsible for administering the PTAC program.

Governor, should you agree with our recommendation, attached for your signature is a letter to DLA informing them that you have designated UOG's SBPA as the administering agency and that you certify that UOG SBPA meets DLA's eligibility criteria. I have also attached a draft press release on this matter. Governor, we respectfully request your assistance on the urgency of action on this matter due to the short window of opportunity to submit an application and the extensive requirements of the program. Should you have any questions, we are available to answer them. Thank you for your consideration.

Put Respetu,



ANTHONY C. BLAZ

Attachments

Ms. Peg A. Meehan  
Director, Office of Small Business Programs  
Headquarters, Defense Logistics Agency  
8725 John J. Kingman Road, Suite 1127  
Ft. Belvoir, VA 22060

RE: Eligibility to Participate in PTAC Program

Hafa Adai Ms. Meehan:

As you know, a bilateral agreement between the governments of the United States and Japan has resulted in the Department of Defense (DOD) announcement that elements of the 3rd Marine Division and their dependents will be relocated to Guam from Okinawa. In addition, the U. S. Navy, Army and Air Force will also increase forces and assets on Guam. A \$15 Billion investment is planned for the U. S. military bases in Guam to accommodate U. S. Armed Forces. To enable effective use of this planned investment, it is necessary to increase competition in the private sector, ensuring that small businesses take maximum advantage of contractual opportunities.

This letter expresses the Government of Guam's intent to submit an application to establish a Procurement Technical Assistance Center at the University of Guam's School of Business and Public Administration. The University of Guam meets the eligibility criteria contained in Section II, paragraph 18 of the (draft) Solicitation for Cooperative Agreement Applications (SCAA) which states: "State government. Any of the several states of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a state exclusive of local governments. The term does not include any public and Indian housing agency under United States Housing Act of 1937." Guam is a territory of the United States and the University of Guam is a state agency but not a public or Indian housing agency under the U.S. Housing Act of 1937.

Guam's application will be submitted by the deadline established under the SCAA. As this will be our first application, your Office's kind offer of assistance in the review of our application is sincerely appreciated. Should you have any questions, please contact Dr. Anita Enriquez at the University of Guam's School of Business and Public Administration. We look forward to implementing a PTAC in Guam and to meeting program objectives as these will benefit DoD, local small businesses and the local workforce.

Sincerely,

FELIX P. CAMACHO  
Governor of Guam

Cc: Major General David Bice, Joint Guam Program Office

Lieutenant Governor of Guam Michael W. Cruz  
Interim President Dr. Helen Whippy, University of Guam  
Administrator Anthony Blaz, Guam Econ. Dev. and Commerce Authority

## PRESS RELEASE

Governor Felix P. Camacho announced today that he has designated the School of Business and Public Administration at the University of Guam as the Government of Guam's Procurement Technical Assistance Center (PTAC) and has asked it to lead the preparation of an application to obtain as much as \$600,000 in Department of Defense funding to establish the Center. The objective of the PTAC program is to create competition in the marketplace to reduce costs for goods and services procured by DoD. "Establishing a PTAC in Guam at this time will allow local businesses to prepare for and participate in the substantial contracting opportunities that will become available under the Guam buildup program," the Governor said. The PTAC will offer counseling and training programs to enable local businesses and new business starts to gear up for the planned military growth. To effectuate this designation, Governor Camacho sent a letter to the Defense Logistics Agency which is the entity within the Department of Defense that administers PTAC programs nationwide.

The School of Business and Public Administration already houses the Pacific Islands and Guam Small Business Development Center Network. Placing the PTAC under SBPA will place similar functions under the same roof and allow the SBDC, which is currently funded by the U. S. Small Business Administration and the Government of Guam, to complement services to be provided by the PTAC to local business clients. Nationwide, 35% of the PTACs are located within a University setting.

"I thank Major General David Bice and his staff at the Joint Guam Program Office for identifying this opportunity for Guam and former senator Tony Blaz and his staff at the Guam Economic Development and Commerce Authority, Mr. Ken Lujan at the Guam Office of the U. S. Small Business Administration, Dr. Anita Borja-Enriquez at the School of Business and Public Administration, University of Guam, and Mr. Casey Jeszenka at UOG's Pacific Islands and Guam Small Business Development Center Network for their work in evaluating the PTAC program and recommending to me the best possible approach for carrying out program objectives and serving our local businesses," the Governor concluded. An application will now be developed for federal review and once approved, the program is expected to open its doors in Fiscal Year 2009.