



Governor
Felix P. Camacho

Guam Economic Development and Commerce Authority

Aturidãd Inadilãnton Ikunumihan yan Kumetsion Guahan



Lt. Governor
Michael W. Cruz M.D.

MEMORANDUM

Date: February 22, 2008

To: Governor
Lt. Governor

From: Acting Administrator

Subject: Weekly Status Report – CMTF Economic Development Subcommittee

During this past week, the Economic Development Subcommittee (EDS) has been working on identifying obstacles to local and small business participation with the impending military expansion including bonding, subcontracting plans, and achievement of statutory targets for small businesses which are being addressed now and recommendations will be provided at a later date. However, to achieve success, the Naval Facilities Engineering Command and the Navy Office of Small Business Programs must actively involve Guam's small business advocates including the University of Guam Small Business Development Center, the Pacific Center for Economic Initiatives, the Chamber of Commerce Small Business Focus Group, the U.S. Small Business Administration and the Government of Guam.

During a conference call on Feb. 21 with members of the IGIA Small Business Subcommittee, Office of Navy Small Business Programs indicated that General Bice is interested in knowing how small businesses can fit into the NavFac Execution Acquisition Plan in a way that minimizes risk (eg, performance, management costs to military, etc.) associated with having numerous small business contracts. The group decided to work on identifying the types of business services required by military growth to allow small businesses time to prepare. I have attached a copy of the highlights that were discussed during yesterday's conference call.

The membership of the EDS will continue to meet to discuss and recommend resolution on the challenges associated with the military expansion's impact to the local economy.

ANTHONY C. BLAZ

Attachment

Guam USA - Your Business Smart Destination

Highlights of Conference Call
IGIA Socio-economic Working Group
Small Business Subcommittee
Thursday, February 21, 2008

Participants: Oreta Stinson, Navy OSBP, Washington D.C.
Curtis Anderson, USDA, Washington D.C.
Tod Hubble, USDA,
Larry Orr, NavFac OSBP, Hawaii
Floria Pang, NavFac Small Business
Tony Blaz, GEDCA
Mike Cruz, GEDCA
Larry Toves GEDCA

Discussion Highlights:

- One of the main questions asked by General Bice at meeting with the Office of Small Business Programs (OSBP) in D.C. was how small businesses can fit into the NavFac Execution/Acquisition Plan in way that minimizes risk (eg, performance, management costs to military, etc.) associated with having numerous small business contracts.
- The group will work on identifying the types of business services required by military growth to allow small businesses time to prepare.
- Distribution of \$10.27 billion - Japanese government share is \$6.09 billion, U.S. government share is \$4.18 billion. Stinson indicated that US \$4.18 B and \$2.8 of the Japanese share will be subject to Federal Acquisition Regulations which requires use of SBA small business programs.
- Strategic plan includes establishing Procurement and Technical Assistance Center (PTAC) on Guam to educate small businesses on how to do business with the federal government and counseling.
- Various programs are available from USDA to assist small businesses prepare for pending military buildup including USDA's Rural Business Development Programs that provide grants and/or guaranteed loan programs for technical assistance. USDA rep will provide synopsis of programs.
- Ms. Patricia Obey who is a former Contract Officer with NavFac and is now working with OSBP will be on-island to present at the Guam Industry Forum, March 6th-8th.
- Leonard Smith, Director of Economic Development Administration, U.S. Department of Commerce Regional office in Seattle will be attending both the IGIA and FRC meetings scheduled at the end of the month.
- Navy may want to use the Guam buildup program as a "champion for service disabled veteran-owned small businesses. While we support this initiative, we cannot allow Navy to forget the other small business categories (women-owned, HUBZone, etc. that are important to us. There are 23 service disabled veteran owned businesses registered by SBA on Guam while there are many more women-owned, HUBZone, etc.