



# The GUAM Industry Forum 2022

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Society of

# SAME

American Military Engineers

# Guam Post

## DAY ONE PLENARY PRESENTATION

**Ms. Suzanne Vares-Lum**, President, East-West Center

- **What are the priorities of the Pacific Deterrence Initiative (PDI)?**
  - The introduction of the Pacific Deterrence Initiative (PDI) is about posturing in a way that can deter adversaries; investments in the region that allows for US forces, allies and partners to be able to not just respond to traditional threats, but also being present for response to natural disasters. If you look at the National Security Strategy, four of the five national security challenges sit in this region. Also, the PDI is investing in integration, allies and partners, as well as partnering on multiple exercise operations activities throughout the region, and making the statement that a free and open Indo-Pacific is critical to fly, sail, and operate wherever international law allows, that's the key to the PDI.
- **Would the East-West Center consider hosting DOD officials to attend their fellowship programs?**
  - Right now, we have the service academy and graduate level programs in this building here. From the Air Force Academy and the Naval Academy, we split the costs of the East-West Center. And the reason why that's important is because it allows our DOD personnel to have connections with people throughout the region. So, there are some that graduate getting their masters or PhD from the University of Hawaii but living at the East-West Center. We also host many of our leaders and meet with some of our researchers; some of our students to build and expand understanding.

## CONTRACTING PROCESSES, THE CHALLENGES AND LESSONS LEARNED

Moderator: **Vera Topasna**, Executive Director, Community Defense Liaison Office, Office of the Governor of Guam

**Mr. Eugene Diaz**, Chief of Contracting Office, NAVFAC Marianas

**Ms. Norma Borja**, Small Business Advisor, NAVFAC Marianas

**Master Sergeant David C. White**, Section Chief, Base Infrastructure, 36<sup>th</sup> Contracting Squadron, 36<sup>th</sup> Wing, Andersen Air Force Base

- **Who are the 3 HUBZone AEs on the Air Force set-aside contract? Can you provide their POC info?**
    - FA524022D0001 - Setiadi Architects
    - FA524022D0002 - Amorient (JM Robertson Inc)
    - FA524022D0003 - Engineering Management & Planning Services Corp (EMPSCO)
- For more information regarding these contacts please contact MSgt David White at david.white.40@us.af.mil, 671-366-6680.
- **Are you planning on hiring more contract staff to support the increasing construction or using other agencies?**
    - Yes, 36 CONS has already hired 12 new 1102 employees in FY22 alone.

- **Should bid options be included in a Contractor's performance and payment bonding? Does such affect Contractor's capacity for succeeding bid proposals?**
  - Please read FAR 52.228-15 (i.e. original contract price section).
- **What are AAFB projects focused on? Maintenance, services, etc.?**
  - Primarily Facilities, Sustainment, Restoration and Modernization (FSRM) for construction projects.
- **Auditors may still require actual hard copies of bid proposals thus difficult to go "paperless" submission.**
  - The Air Force is 100% paperless for contracting. This includes Higher Headquarter review and transfer of files between offices requiring documentation. Electronic system of record is KFileShare.
- **When sourcing materials from other country, such as Japan, which adopts a different set of standards but the compatibility of those with the ASTM standards are pretty much observed, how long will it take to get them approved? And is there any expedited processes that can be applicable?**
  - We will get the actual reference but when an RFP or solicitation is out there you will request a substitution. If it's coming from a country that is a revenue source, we will not be able to entertain but you would want to request that at the solicitation process during the pre-award phase. So, if there is a material coming from a country that you are looking to substitute that is outside then that can be done, and you do so in writing to the contracting officer of the agency that you're submitting a proposal to.
- **DoD recently issued a final rule repealing preferences for the use of fixed-price contracts. Is NAVFAC aware of the rule change and can we expect to see an increased use of cost-reimbursement contracts?**
  - I don't necessarily think we'll see an increase on cost reimbursement contracts. But I do think that we're going to start looking at different strategies, not just going with the typical contract structure. The reason why we pick a certain type of contract is all based on interest rate or a fixed price since most of the risks are on the contract or least amount of risk on the government. So, we're being told to find ways to do things better, faster, and have higher quality. We are looking at different contract vehicles and with that kind of being pulled back that does look into future requirements. DOD is a big organization. Things are starting to happen, but it's going to take a minute to get those wheels turning.
- **Will NAVFAC transition into electronic submission of proposals vs. requiring 5 hard copies and a CD?**
  - We have not necessarily been on the curve of the adoption of these technologies. But great question, it's something that we have taken note of not just because of the question whether we are going to finally implement adopting this.
- **Where is the line drawn between NAVFAC PAC and NAVFAC MAR in terms of PCO for major programs, and MILCON specifically? Is this division of acquisition authorities expanding toward greater field autonomy?**

- Specifically, as it stands right now, generally most if not all, are being handled out of NAVFACPAC. So, the alignment of our organizations also goes beyond the MILCON program. But it's not necessarily by dollar value.
- **How do you determine to use LPTA vs. Best Value as evaluation factors?**
  - I would say it for construction leases, and I can speak for Andersen up there. We use the lowest price acceptable past performances. It's the closest thing to LPTA we've used, it's just under complexity to the higher complexity and maybe we need to do a more in-depth source selection.
- **As a Joint Venture, is the Sub-contractor request of Prime Contractor's past performance applicable for both design and/or construction?**
  - Based on the information I gave on the rule, it does not apply to subcontractors. So, the rule regarding past performance ratings provided by the prime contractor is not going to be insofar as Seaforth is only used for direct contracts and not subcontractors.
- **Are Japanese products automatically approved for Japanese funded projects?**
  - We'll have to take "no" for that. The question may be related to the projects that are being funded by NAVFACPAC.
- **MSgt Morgan: when is the Logistics and Materiel Management Solutions Contract RFP coming out?**
  - It is currently being worked on. We're working to really nail down what this requirement is going to be going forward; we do see there's a lot of changes going on with the interceptors, not only in dollars spent and services being procured construction. So, it's really kind of leaving that contract in block. I do suspect it is most likely getting solicited sometime in the spring or early summer, if not earlier.
- **36 Cons: will you consider utilizing sam.gov to post your forecast in the first QTR?**
  - That's a great idea. We are going to post differently, especially on the construction site. We will post at least a 15-day pre-solicitation notice like a forecast.

## INSTALLATION COMMANDER / COMMANDING OFFICER

Moderator: **Mr. Noel Enriquez**, Director, SAME Guam Post

**Captain Michael Lockett**, USN, Commanding Officer, Naval Base Guam

**Colonel Christopher Bopp**, USMC, Commanding Officer, Marine Corps Base Camp Blaz

**Brigadier General Paul Birch**, USAF, Commander, 36th Wing, Andersen Air Force Base

- **Is there any plan in improving/streamlining the process? The lengthy base pass application directly affects the performance of our contract. Can you provide a long-term base access wherein the vetting process is done once every 5yrs similar to a driver's license? Currently we are only provided up to the duration of the task order then we have to re-apply.**

- There's the normal law enforcement and safety discipline that goes along with running a solution. I think it's going to be less geared toward a long-term solution.
- There's always a tension between convenience and security. And that's something that we have to work on every day and we're always looking for ways to make that process as efficient while still maintaining the effectiveness to ensure the security of facilities. I would also add that a lot of what we must do from a policy perspective is not necessarily the locally generated policies. So, we do have some discretion here at the local level. But we are continuing to look at processes to see if there are ways that we can make them more efficient.
- **Are there more plans for Tinian for the US Air Force, other than a Divert Airfield?**
  - Yes, as long as we have the acquiescence of local government, and the viable construction means to do it.
- **What is the anticipated operating plan for the new Divert Airfield on Tinian? Does the Air Force expect full time stationed personnel on Tinian or will there be a BOS operator to host use of it by active-duty personnel.**
  - The service is going to have a permanent or at least more permanent than the Air Force's presence so that the question then becomes who is the most viable integrator base operating services? The first part of the question and the answer is, we'll be there when we need to be there and there won't be aircraft around the station. Remember, I talked about agile combat deployment before that's the idea that we can move around rapidly with a light footprint and not be in any one place for too long. That's our strategy in the Indo-Pacific so you don't see aircraft that are permanently stationed at an Air Force Base.
- **Will Camp Blaz be in charge of operations of the Tinian Marine Training range? What do the Marines see as a permanent force number on Tinian?**
  - Because we have a working group that meets in three weeks, we've been really discussing lobbying operations to include the question General Birch answered. And none of the services have come to the level where the service team have made the agreement yet to say whether airports will be offered. So, we're still working on plans to come up with the best method when it comes to Tinian itself as far as the core operations. They've gone down to a smaller agreement that's been executed. And I do know that the longer-term vision. The final agreement is that the longer-term vision would be to guess the record base and last and our range control personnel. The plan right now is that some of those will be able to grow and to help reduce reserved using them. But there's going to require some longer-term maintenance in the meantime, while we do some transition back and forth. The hard part is it's just too early to plan and to be able to give the final word.
- **For Naval Base: the process to apply for dig permits and power outages can become costly and inefficient. Can these fees be waived or reduced to a flat rate for critical projects? Can we follow the same process in AAFB?**
  - I really can't speak to them.
- **Will Camp Blaz utilize a large BOS contract for support services, or will the various support services be issued as separate contracts to benefit small businesses?**

- That's another question I wish I could answer but public workshops are looking through it and reviewing all contract possibilities in advance.
- **With DoD's presence ramping up on Guam, it is increasingly important to interact with the local population through community relations activities and open houses. What can the installations do to continue to improve relations with the community and the people.**
  - We're looking for five or six community type interaction events in the last two weeks. I was looking to reach out, so we'll be having hearings about some of the interesting developments going on. Those are absolutely critical to making sure that there is an accurate and nuanced picture of what that development looks like. But I don't think we have the exact answer, we'll go back and find it for you.
- **Will AFB be increasing housing units on base, and if so how many units?**
  - There's a range and a training process. As Colonel Bopp said, the final scope of the Marines missions that get laid down are heard much of the fluid discussion as well as who runs what.
  - On the housing question, I won't tell you exactly how many housing units end up. If we execute our plan for the time period and dollar program right now, I can tell it's not enough. We need to build more. We are going to end up with dozens of housing units on this island. Across all the military and federal entities that are coming here this will change. I can't answer the second part of that question and tell you where you're going. It's the local housing market as well as what we do on military installations and that is to accommodate this joint force. Although we might all have a different idea about what the final numbers are.
- **Are there plans for new on-base single-family housing for Naval properties on island?**
  - I can tell you right now the answer is no. But I'm hoping that the answer will be a yes.
- **Question from earlier to Captain Lockett: What are the Virginia Class implementation plans? What are the Westpac submarine maintenance plans from an infrastructure standpoint?**
  - I did mention a couple of projects in my remarks earlier. There are several pieces of construction that are designed around the Virginia Class out here by the end of the 2020s. Probably the number one project out there is to provide the workspace and all the supporting utilities to make sure that we have places to put their ships. There are additional training and operations facilities that are planned. The intent is to bring the maintenance capability that we have on board and that intermediate level of maintenance, as well as to develop an ashore capability within the next several years.
- **What is the current planned end state for # of Marines stationed at Camp Blaz?**
  - I can tell you this we're working through the agreement, and we budgeted approximately 5,000 back to the Chilean wildlife refuge.

- **Often, it takes an enormous amount of time to acquire a CAC. This applies even to individuals with prior Secret and Top-Secret clearances. Even renewals take weeks. Can this issue be addressed?**
  - In this issue, we have increased our access to supplies and machines. Unfortunately, there's no tie between the CAC and what your former or current security clearances are. The only thing I would add to that is we did have some significant staffing challenges out there earlier this year. We were down to under 50%. We've since been able to hire most of those positions.

## DOING BUSINESS AND TEAMING ON GUAM AND THE MARIANAS

Moderator: **Mr. Ernie Galito**, Board of Directors, Guam Chamber of Commerce

**Mrs. Catherine Castro**, President, Guam Chamber of Commerce

**Mr. William Beery**, Chairman of the Board, Guam Contractors Association

**Ms. Melanie Mendiola**, Administrator, Guam Economic Development Authority

**Mr. Kenneth Lujan**, Branch Manager, SBA Guam Branch Office

**Mr. Boris Hertslet**, Program Manager, Guam Procurement and Technical Assistance Center

**Mrs. Dafne Shimizu**, Director, Guam Department of Revenue & Taxation

- **What is one tip/advice would you give to the firm wanting to do business with the federal government?**
  - Make sure you are a capable contractor that can complete a job on time, on budget, and within the proper safety parameters.
- **Will there be small business goals for the Guam Hospital project?**
  - This is a GovGuam project. There are no small business goals in GovGuam procurement.
- **What is HUBZone Price Evaluation Preference and how can HUBZone firms take advantage of this preference?**
  - When a HUBZone certified business is bidding against a large business, the HUBZone certified business gets a 10% price advantage in the Federal procurement system. This means the HUBZone certified business price can be 10% higher than the large business and still be considered the lowest price.
- **If two HUBZone companies are competing against each other will the WOSB HUBZone get 5% advantage?**
  - This question is mixing Federal and GovGuam procurement. The HUBZone certification only exists in Federal procurement. The 5% WOSB advantage only exists in GovGuam procurement.
- **Does an offshore or foreign construction company already doing military construction contracts here in Guam still need to get a contractor's license if you wish to participate?**
  - So, if you are out of one company that is currently doing business only on the base and at the other federal military installation, you're not required to get a license. If

you intend to expand your business outside of the military installation, then you must go through the whole process of getting a license at our department.

- **What are the fees to join the Guam Chamber or the Guam Contractors Association?**
  - For the Chamber of Commerce, it's as low as \$210 and as high as \$2,750 annually, and that is all based on repost.
  - To join Guam Contractors, we have several divisions of membership, but our fees are as low as \$75 all the way up to \$300. Depending on the size and the revenue.
- **Does the Guam Chamber or the Guam Contractors Association assist with firms in Guam who want to do business in the CNMI, FSM or Palau?**
  - The Chamber has associations with all the chambers that are in the Micronesia area as well as the Asia Pacific. We can certainly support any business that's interested in doing business there by getting them in contact with the local chamber or local agencies in those areas.
  - Guam Contractors Association and the Academy (sister company) do support through mentoring and that sort of thing, but we don't have an official presence.
- **For each panelist, what is the one resource your organization has that you wish your target audience would take more advantage of?**
  - The Chamber has so many things that we do, and I think with me personally I wish that there would be more businesses that would be interested in advocacy. I would be interested in meeting our local officials or government agencies that are willing to stand up and say hey, this is not good for the business community. Right? I'm really interested in seeing more of our businesses come up and join us and have a stronger voice; we all want to see a beautiful quality of life for everybody. We want to see our people employed and have good jobs. But for us to do so we need more people to join us and that's my personal wish.
  - Yes, I think my wish would be that more of our visiting members participated in our committee. That's where the benefits really come and it would be good for the association and be good for the industry to get more participation. And of course, we add more women.
  - I think from my perspective, education is huge. So, I think making sure that people know where to go or what the resources are to get the information, laying the foundation for your company as you start business here. And again, just knowing where to go for those resources. Plus knowing what benefits or what credits there are that you can deal with.
  - I would like to see more businesses getting involved in federal contracting. We do have quite a few involved. But so many times I see contracts awarded to off-island companies that make no sense. It doesn't make sense why a local company couldn't have won that contract. And a lot of it stems from companies that need to check sam.gov on a regular basis.
  - What I'd like to see is the proportion of businesses that pay good wages and promote the growth of a skilled workforce and promote innovation on our island. That would be to me, not the volume of work that comes in because we certainly see

a lot of that but more the proportion of work that's good for the people of Guam and for our overall economic growth.

- A lot more of the taxpayers are taking advantage of the opportunities the government has given. We have a lot of programs that can help you obtain the necessary equipment and working capital that you need to get your business going. We're seeing a dip in terms of certifications. The opportunities are endless. So, please take advantage of it.
- **What gold nugget of advice would you give a firm wanting to do business with the federal government?**
  - Know your capabilities and that's the big thing. You can have all the certifications in the world, you could be a small business, you can have four stars, but what if you can't do the work on time, on a budget, and provide exactly what the government requires? Then it really doesn't matter. So, you need to be a capable business and you must be able to do what you say you can do.
- **I didn't know there was a 5% price differential allowed for WOSB firms. Can you explain this a bit? Is this for all agencies?**
  - This is for Government of Guam contracting, not federal contracting. So, the government of Guam recently passed a law where they incorporated WOSB certification, which said there are some requirements in the law that say you need to be in business for two or three years and you need to have certain requirements, and the final requirements are that you need to be a WOSB certified by the SBA. I believe 8 to 10 companies on Guam already do have the qualification. Then when you are competing on Government of Guam contracts, you're getting 5% price advantage meaning if your price is 5% higher than the lowest bidder, you are the lowest bidder.
- **For Ms. Shimizu, do those exemptions/GRT lines 9 and 10 apply to service based subcontractors that are not traditional subcontractors/otherwise licensed?**
  - That does apply, because we do see others that fall under the contracting.
- **Which of the four small business programs (SBC, SDVOSB, WOSB, 8(a)/SDB) Guam federal agencies are having challenges meeting their goals? and Why?**
  - The challenge right now is not in the area of HUBZone but for WOSB. So, you have to get certified by the SBA to become a certified business. The second challenge is faced by SDVOSB. You have to be service disabled and can't be just a veteran.
- **If doing business on base, do we have to pay BPT?**
  - Yes.
- **For PTAC: is there anything that can be done to help require federal projects to use local companies vs. just small businesses? Is this only up to the federal government or can we help influence/change this requirement?**
  - Basically, there should be a lot of competition and the federal government encourages competition. I believe that even a bill from Congress or something about maybe more organization must be worked on. So hopefully that will help.
- **The State of California does not allow firms to bid for projects unless they are licensed as architects or engineers in California. California basically does not**

**allow outside AE professionals to do business, even on bases. Guam could do the same.**

- Do you think one could do the same for local government, probably at the state level? Sure.

## CYBERSECURITY BRIEF

**Ms. Faith Blakeslee**, NAVFAC Marianas Command Information Systems Security Manager

- **When is the required date of completion for cyber compliance for hardware and software systems owned and operated by primes and subcontractors?**
  - If referring to NIST SP 800-171 requirements self-assessments, immediately. Refer to DFARS Clause 252.204-7012 which has been effective since 2017. If referring to CMMC requirements, the expectation is by 2025.
- **FSOs can only secure a security clearance when given a DD Form 254.**
  - I believe this is correct.
- **Do the SME qualifications requirements apply to all NAVFACE projects or just NAVFAC Marianas?**
  - All, by reference.
- **Can you explain the timing of when the SME cyber security officer would need to be in place?**
  - If referring to cybersecurity SMEs for applicable UFC/UFGS, refer to respective specifications.
- **Will the Government authorize the DD-254 to flow down directly to a sub-contractor? For example, if a prime does not hold an FCL they are unable to accept a DD-254 so they have subcontracted out the FRCS requirements to a contractor who does hold an FCL and can provide the labor that requires clearances. Can the government flow the DD-254 directly to the sub-contractor?**
  - This is more a contracting question, and I cannot provide an accurate response. From what I've read, it sounds like the DD-254 can only flow down to the sub-contractor by the prime FSO. Again, needs to be confirmed by contracting personnel.
- **To clarify a previous question, if a prime contractor does not share the CUI portion of the contract with their subcontractors, then the subcontractors do not need to comply with the DFARS related to protecting CUI?**
  - If they don't share something, the subcontractors still need to comply with the related portion in regard to protecting CUI. I think the device is clear that the clauses slow down subcontractors. And I think if there's any question about that you'll need to work out with the contracting officer or maybe bring it to the team explicitly but at this time, I have to refer back to the DFARS.
- **What is the government's position on enforcing CMMC and data chain of custody with subcontractors and sub consultants at foreign OCNUS locations in the Pacific AOR, especially in locations where the US government has not traditionally engaged in design and construction?**

- Unfortunately for us, we have only experience working here on Guam. So, I do realize that there are plans to do construction in other areas which are considered to be openness wide areas. I will have to defer to contracting at this time. I can only refer you to the different clauses that are included in this presentation. None of the ones that I've reviewed vary for whether you are OCONUS. There might be other DFARS clauses that are included if there's a contract going out in a foreign area but again, I'm not an Acquisition Professional.
- **Please provide an example of rental equipment that has to comply with DFARS requirements.**
  - Maybe I didn't understand the original question. I'm not speaking about rental equipment itself. I'm talking about the systems that that company is responsible for their IT network, their emails, their servers. Those are what's applicable to the different classes.
- **How can we find out about local specifications for other NAVFAC regions and/or POC information for their ISSMs?**
  - I would say reach out to the region's project manager/design manager. They should have all that information. If you needed a specific name for an ISSMs, I'm sure anybody would be able to help.
- **Will your office assist us in getting the security clearances for our required personnel when we're dealing in industrial automation systems?**
  - Now that is actually the contractor's responsibility. I think the only time the government will assist is if the contract requires access to classified information.
- **Are all contractor certification requirements in place now, if not, when will they be?**
  - They are in place now.
- **Will the government issue DD Form 254 to contractors, granting them the authority to initiate security clearance investigations?**
  - I'm not too familiar with that process. I believe that's issued and worked with their security personnel to get the clearances. But if it is for such security SMEs or facility related control systems, then that's a different process. And that's where they need to be having that to get their finances and figure out that process.
- **Does your office partner with contractors to help test their systems and make recommendations?**
  - At this time, NAVFAC Marianas does not. But at one of the NAVFAC centers there is a testbed up there where they should be able to work with industry to test and certify.
- **Is there a quick reference/go-by sheet that contractors and government can use to help manage and track standard RMF milestones and deliverables during post award construction?**
  - There are some internally. I believe there are also a couple of websites out there, like the risk management framework portal or Knowledge Center. They may have something on there that could provide a list. I don't know if there's anything else out there that's publicly available.

- **Section 25 05 11. 3.12.1. Most specs (clearly cut & paste) require 500 hours of technical support. If you take the hours from all of the contracts there would be a cumulative of over 20,000 hours (ten-man years). What is the Government expecting to get from these man hours?**
  - So, the 500 hours that were listed in an older version of that 25 05 11 covered installation, testing, and configuring, making sure that systems are communicating to each other. You can have six different systems installed on that spec and it's 500 hours to install, test, and support those specific ones. Newer spec versions that come out have decreased the amount and the reason being is because each facility related control system will have its own 25 05 511 spec and it will state the amount of support hours. I believe it's 130 and it depends on which system it is that there is already a set amount of hours per system.
- **For document requests for bidding on the SAM system prior to bidding, is the cyber compliance component required for prospective bidders, prior to bidders, prior to gaining access to those bid documents?**
  - We're not Acquisition Specialists, but we realized that's the site that keeps us on track acquisition. There are certain things that we do not put out on an RFP because they are considered to be not visible to the public. Although what we do require is a nondisclosure agreement and handling or how that information is released. So, if you are going to be handling CUI, there is a requirement that we put into that disclosure agreement for how you are authorized to handle it.
- **Have cybersecurity requirements fully been incorporated into project planning and government cost estimates? Industry costs can be expensive as we learn more, and cyber consultants provide pricing.**
  - Cybersecurity is a pretty new introduction element being introduced into military construction. So, we don't really have a very strong model that we can refer to. We've been able to take some of the experience that our team has of security in place systems, as well as some of the history of what it takes to secure regular IT systems and try to build that into a model. But that said, I don't think that the models can fully capture all the unknowns that we are still discovering, as we try to secure control systems as you saw with the building model that the systems are very diverse. And it is a small team that we have that is trying to figure out how we meet the DoD requirements for each one of those systems. So, there are still things that come up. We do like to partner with the industry for how we can meet those requirements or how we can mitigate any risks that we can't control. I will say there is a small model that is currently in use, and we do feedback from our headquarters on how their cost model works and expect it to be adapted as time goes by until we can build a pool. I think it's called a parametric model that is normally used for projecting construction.
- **How far down do the DFARS clauses relate to protecting CUI flow? For example, if I am subcontractor on a federal project that has CUI and I rent equipment for the job, does that equipment rental company need to comply with all the DFARS clauses related to protecting CUI?**

- If they are handling CUI then yes, that would be handling CUI data, the actual data itself.
- **The majority of the FRCS systems include passive/physical infrastructure that are not actually on the network. Will the people physically installing these systems be required to hold a clearance and/or will they be required to install with an escort?**
  - They are required to have security clearance. Basically, anybody touching the system that's going to have privileged access we want to make sure they have the proper clearance so that they're not doing anything malicious to the systems that can in turn affect us later. We do understand that it is still something new as far as getting clearances. It may take a while for that process to fully make its way around. We avoid as much as we can, having anybody that doesn't have clearance. There are possibilities for being escorted. But as you see we have a small team. So, being escorted is not the best way to be able to get the work done.
- **When will CMMC certification be enforced for all contractors and their subs?**
  - I believe they will at least start seeing it being put into contracts in 2023. Version two is still being developed so we don't have all the details on when it's going to roll out and what the requirements are going to be.

## WHAT YOUR COMPANY NEEDS TO KNOW

Moderator: **Mr. Scott Thompson**, Director, SAME Guam Post

**Captain Brian G. Bearden**, MS, PE, BCEE, Chief Engineer, Guam Environmental Protection Agency

**Mr. Mark Roys**, MEC Program Manager, NAVFAC Marianas

**Mr. Albert Borja**, Environmental Director, MCBCB

**Mr. John Salas**, PE, Regional Environmental Director, NAVFAC Marianas

- **The risk tolerance reflected in MEC requirements on DoD property are inconsistent with the same amount of risk to those on non-DoD property. What can higher level authorities in the Navy or DoD do to reduce/relieve MEC requirements on DoD projects to better reflect the very small risk of a munition exploding during construction? How can we get back to the Triple R's?**
  - DoD and U.S. Navy regulations establish the requirements for MEC procedures. The 3R process is not compliant with current regulations. DoD and U.S. Navy policy makers continue to review the MEC requirements specifically in Guam and are seeking ways to improve both the time and cost involved with MEC clearance while meeting all mandated regulations.
- **How do NAVFAC and the Marines work with contractors who work on Guam and Tinian maintain the same military level requirements for biosecurity as it relates to sharing their contracting equipment between Guam and Tinian?**
  - Biosecurity requirements for MILCON projects are established by Biological Opinions issued by US Fish and Wildlife Service. Specifications for military construction contracts that are covered by such Biological Opinions include cargo cleanliness and inspection requirements at point of origin, port of entry and within construction areas. For large-scale projects/areas, the Navy has third party services contracts to

monitor pre- and post-vegetation clearing activities for early detection of any new invasives.

Establishment and enforcement of biosecurity measures for civilian construction projects under GovGuam jurisdiction would require passage of local legislation. For more information, please follow link to the Regional Biosecurity Plan for Micronesia and Hawaii: <https://pacific.navfac.navy.mil/About-Us/Regional-Biosecurity-Plan-for-Micronesia-and-Hawaii/>

- **What is the actual value in inches or centimeters, of sea level rise at the Navy Base Guam port since 2000?**
  - Per a NOAA Sea Level Rise Technical Report (link above), sea level along U.S. coastlines will rise an average of 10-12 inches in the next 30 years. This average is comparable to the data presented in a 2019 Government of Guam Report prepared by UOG Dr. Romina King. Based on this report, the mean sea level (MSL) linear trend based on measurements taken from Apra Harbor, rose approximately 8.8 inches from the years 2000 thru 2020.
- **What is the total approximate amount that has been spent on MEC so far for Camp Blas and how many ordinates have been recovered? How many accidents occurred prior to this work over the last 2 decades that could justify it. Would it have been possible to develop a more cost-efficient system?**
  - The current database for all MEC items discovered on Guam contains approximately 14,000 items (this is for all of Guam, not Camp Blas specifically). There are no recorded injuries or fatalities incurred during DoD MEC clearance activities on Guam. DoD and U.S. Navy policy makers continue to review the MEC requirements specifically in Guam and are seeking ways to improve both the time and cost involved with MEC clearance while meeting all mandated regulations.
- **When a contractor is working on US soil, but the landfill is not EPA compliant or authorized, however it is used and permitted via the local government permit process, how does NAVFAC deal with authorization for use? Does it accept the local permit or require the Federal permit?**
  - Military contracts require use of appropriately permitted disposal facilities, this means authorized for use by all jurisdictions involved: Federal, State, territorial or other local government units. Note that some state/territorial permit programs are granted or delegated authority or "primacy" by US EPA.
- **Current MGFs are based closely on the largest item found in the response area instead of the industry practice of the most common item found. Applying this change would reduce the evacuation area especially in areas like NBG. Is this change being looked at for amendment 8?**
  - A project specific site categorization and risk determination is performed during the project planning process to determine the appropriate MEC clearance requirements in conformance to the Guam Construction Support Explosive Safety Submission (ESS), Amendment 7. The ESS contains area specific MGFs based upon historical records, however, the Conceptual Site Model (CSM) is further reviewed and can be used as evidence to amend the MGFs based upon history of MEC finds in the area

immediately surrounding the project site under evaluation. In addition, historical construction actions are reviewed for the potential of previously disturbed soils to be considered in the site categorization. Future amendments to the ESS will reflect the most current data contained in the CSM and will evaluate the risk determination process for opportunities to improve/streamline the process consistent with DoD and U.S. Navy regulations.

- **How true is this rumor about the High-frequency Active Auroral Research Program (HAARP), that it's the real reason behind climate change?**
  - The objective of HAARP is to study the properties and behavior of the ionosphere. There is a conspiracy theory that claims HAARP is a U.S. developed weapon system that may cause global warming.
- **Are you integrating Engineering With Nature on your current MILCON projects?**
  - While some MILCON projects have had environmental mitigations and conservation measures resulting from consultations with the U.S. Fish & Wildlife Service or U.S. Army Corps of Engineers or other resource partners, it was not Engineering With Nature. I believe there are opportunities in our region to integrate practical engineering processes with nature for more resilient infrastructure, which is the goal for Engineering With Nature.
- **I saw that the USACE POD website shows a future project for update of the stormwater management manual. Are you aware of this and to what extent will it be updated? Will there be opportunities for public comment?**
  - Any changes to the 2006 CNMI & Guam Stormwater Management Manual will go through a public process which will allow for comment, as was the case with the development of the existing manual. At this time, the work of the USACE is limited to the development of spreadsheets and updated design examples to help engineers with the performance of the calculations required under the existing manual.
- **Is the MEC program looking at utilizing DGM and AGC geophysics more in the per construction design phase and how will the 6-inch lift requirement be addressed using DGM**
  - MEC clearance requirements are reviewed during the planning stages for each new project, which includes site characterization and risk determination. DGM and AGC remain viable methods to inform the site characterization. In many cases, current project funding sources impose constraints on the ability for the government to perform DGM and AGC assessments in advance. DoD is currently reviewing policy, funding constraints, and available funding sources to allow more rigorous advanced site characterization and potentially advanced site clearance. Regardless of the technology employed, lift size remains limited to the depth of detection. More dynamic advanced site characterization may identify a Target of Interest (TOI) different from the current 20-mm projectile TOI and allow for increased clearance lift depths.
- **Are the MEC maps that were mentioned available to contractors, or can they be made available?**

- The maps included in the current Guam Construction Support Explosive Safety Submission (ESS), Amendment 7 are available to contractors. These maps include the likelihood determination of each of the 24 Munitions Response Areas. Further, project specific site characterizations, as documented in the project MEC Annex, are provided to contractors either as part of the project solicitation or at project award. Complex Annexes, which alter the MGFDF from the current ESS, depict MEC finds near the project as the basis of the new MGFDF. Future amendments to the Guam ESS will include updated Munition Response Area maps and will be available to contractors once approved by the Department of Defense Explosive Safety Board (DDESB).
- **You stated that all MEC finds are placed in a geospatial map. Is this input by all agencies into one map? Are contractors allowed to access this map?**
  - The Conceptual Site Model (CSM) is the geospatial record of historical MEC finds. The input is based upon historical records from U.S. Navy and Air Force Explosive Ordnance Disposal (EOD) units. The maps included in the current Guam Construction Support Explosive Safety Submission (ESS), Amendment 7 are available to contractors. These maps include the likelihood determination of each of the 24 Munitions Response Areas. Further, project specific site characterizations, as documented in the project MEC Annex, are provided to contractors either as part of the project solicitation or at project award. Complex Annexes, which alter the MGFDF from the current ESS, depict MEC finds near the project as the basis of the new MGFDF. Future amendments to the Guam ESS will include updated Munition Response Area maps and will be available to contractors once approved by the Department of Defense Explosive Safety Board (DDESB).
- **Can ground-penetrating radar (GPR) be used for detection of buried explosive devices and meet the MEC requirements? Low flying drones with GPR would be a very effective and quick way of meeting MEC requirements.**
  - Current guidance under Guam Explosive Safety Submission (ESS) Amendment 7 does not include GPR as an approved methodology for site characterization or clearance. A wide range of available technologies, based upon input from industry subject matter experts, is under continuous review for adoption and inclusion in future amendments to the Guam ESS.
- **Do you have industry working with DoD on Amendment 8?**
  - Yes. Global industry experts are being consulted for industry best practices to incorporate into DoD policy, to include future Amendments to the Guam Construction Support Explosive Safety Submission (ESS), the current guidance document. In addition, DoD is consulting with subject matter experts from each of the service components in an ongoing work group focused on Guam MEC requirements. Lastly, a forum for best practice and collaboration is being organized for next month with members of the MEC contractor industry on Guam.
- **What is the average depth at which the MEC is found?**
  - Depth recording of MEC finds became required data for inclusion in the Conceptual Site Model (CSM) under Guam Explosive Safety Submission (ESS) Amendment 7, released in 2020. Approximately 20 percent of the total records in the CSM contain

depth data. Based upon this information, the average depth of find in approximately 4 inches.

- **Why is MEC not part of the environmental process? As is, it hampers the construction process, freezing operations that bear great labor equipment and material costs?**
  - Regardless of whether MEC clearance is part of the environmental process, the DoD and U.S. Navy regulations pertaining to MEC provide the guidance for performance of MEC clearance in support of construction.
- **Since previously disturbed areas are being considered why are main base areas on NBG and AAFB still considered likely? Can these areas receive a different classification that requires on site MEC monitoring instead of MEC Clearance? Additionally, could this be applied to Camp Blas since the entire area has had or is having Clearance completed to 4'?**
  - Insufficient historical documentation exists for wide range area classification of NBG and AAFB as unlikely to contain MEC/MPPEH. However, each project site is individually assessed for site characterization. At the project scale, there are multiple instances where historical evidence has supported a project-area site classification as unlikely to contain MEC/MPPEH based upon previous disturbances and/or clearance activity. The clearance completed at Camp Blas is documented in project specific site characterizations and risk determinations via the Annex process. This includes an unlikely determination to the depth of those areas previously cleared.
- **Are you working with the University of Guam which is setting up a new engineering school?**
  - NAVFAC continues to work closely with the University of Guam School of Engineering (UoGSOE) through UoGSOE Advisory Council membership and as a prospective employer.
    - <https://www.uog.edu/news-announcements/2017-2018/2018-uog-celebrates-the-groundbreaking-of-state-of-the-art-school-of-engineering.php>
    - <https://www.uog.edu/news-announcements/2018-2019/2018-advisory-council-charts-path-forward-for-school-of-engineering.php>
    - <https://careerconnect.uog.edu/companies/navfac-marianas/>
- **With anomaly ranges being removed from contract specifications, it removes the basis of estimate for a MEC company to provide pricing. This increases the risk of REAs and places the burden of risk squarely on the contractor. What can primes and subs do to share this risk with the government and how can primes solicit competitive bids if there is no basis for estimate?**
  - The previously provided anomaly range was not intended for bidding purposes which was specifically stated in the disclaimer. Therefore, removing this information did not change the risk for the potential number of anomalies encountered on a specific site. The typical process for site characterization in the pre-design/pre-solicitation phase is based upon information in the Guam Construction Support ESS, Amendment 7, historical records of previous disturbances, and/or activity within the project footprint. This information forms the basis of the MEC Annex prepared per the ESS.

Contractors are afforded the opportunity to perform pre-bid site visits to perform their own site characterization as a basis of bid. When possible, the government is leveraging advanced technologies to enhance site characterization, and this information, when available, is provided in the solicitation and reflected in the MEC Annex. If there are suggested alternative approaches to better define risk, the MEC program office is open to review/consideration.

- **Is the conceptual site model available to the public?**
  - The Conceptual Site Model is a government work product and is not currently made available to the public.

## PORTS OF ENTRY AND LOGISTICS

Moderator: **Mr. Agapito "Pete" Diaz**, Director, SAME Guam Post

**Mr. Rory Respicio**, Director, Port Authority of Guam

**Mr. John "JQ" Quinata**, Executive Manager, A.B. Won Pat International Airport Authority

**Chief Vincent SN Perez**, Chief of Customs, Guam Customs and Quarantine Agency

**Mr. Stephen Gatewood**, Sales & Customer Service Manager - Guam & Micronesia, Matson, Inc.

**Mr. Gary Iribarren**, General Manager, Seabridge, Inc.

- **Can you update information on crane upgrades?**
  - Port Response: The Port's current vessel operation is served by three reconditioned 83-84 era Hitachi STS Gantry Cranes that were retrofitted and purchased in 2008 from the Port of Los Angeles. The replacement of the STS Gantry Cranes are paramount to bolster the Port's container handling capacity and to ensure continuity of operations as the Port's current STS Gantry Cranes will be taken out of service, which is scheduled for 2024. The acquisition of new units will also allow for optional maintenance of the Port's existing STS Gantry Cranes and ensure operations will no longer be interrupted by emergency repairs necessitated by failures in aging components.
  - The Port's Owner Agent Engineer (OAE) WSP USA Inc. assisted the Port Authority of Guam in the development of the 2022 Port Master Plan Upgrade that addressed further expansion and development, including the procurement of new STS gantry cranes. In addition to the planned procurement acquisition, to better evaluate if any upgrades to the wharf are needed, WSP sub-consultant Liftech was retained to provide a crane wheel load and stowage load study and design parameter according to the crane procurement technical specifications, with the following parameters for serving vessels calling on the Port:
    - Rail span 50 ft (15.24 m)
    - Outreach 152 ft (46.3 m)
    - Backreach 50 ft (15.2 m)
    - Lift height 100 ft (30.5 m)
    - Rated load 50 LT (50.8 t)
- **Are Federal contractors exempt from use tax?**

- If we get information that says that certain companies are going to receive some sort of exemption and then obviously we follow the rule of law so if, if anything you have to work with in traction, while we are the face of the Department of Revenue, and taxation, so if there's an exemption that's being applied, we will be sure to allow our panelists to provide a response and that will be uploaded again to Guam Industry Forum website.
- **Given Guam's proximity to Asia and Oceania coupled with the rising costs of shipping the Jones Act is becoming more and more of a hindrance to importing goods to Guam. Are there any plans for local port of entry agencies to acknowledge and discuss this with DoD in an effort to decrease the cost of shipping as well as the length of time it takes for goods to arrive?**
  - That's more of a policy question, but there's two sides to the issue. If you're a proponent of the Jones Act, you argued that the requirements of the Jones Act make it so that there's reliability and consistency in the shipment of goods that come to Guam. If you're on the other side of wanting to repeal the Jones Act, you might argue that it creates a level playing field so that the prices will go down and competition actually appears. But we're a port of entry for all carriers at the Port Authority. It's best left to the Jones Act proponents or those who are against it.
  - The challenges that we face here in Guam are not unique, there is from a lack of scale a lot of times and the remoteness overwhelm so in terms of those things coming into one, it's hard to source out those those things at scale to bring in that would make it economically feasible and as costs go up, as we see that every year, those are also hindrances.
  - If you were going to dedicate a full size container vessel from Asia directly to here. It's not always our plan to raise tariffs and that's not in the pipeline. But at least for the next two years, it's not going anywhere as a result of the Governor's allocation of those. A related question to either Seabridge believe they're shipping opportunities, which leverages the Jones Act exemption, and as the vessels that come into Guam, then we can really talk about the vessels. We've created them with the scale of Guam's port in mind as a transshipment hub. So, I think it's a great idea, but the reality of it is that the scale of the ports are quite small.
- **Does Guam Customs plan to go paperless? What barriers are you facing to achieve this?**
  - In our current state, we've been making changes to legislation. And in my presentation, I touched on the fact that we're moving towards building our capacity by developing a risk management information system. So, some importers who are familiar with the United States and the customs requirements through the automated customs environment, we're looking at the development of the risk management information system, which would allow for paperless and other transactions; working towards a single Windows approach in which the different stakeholders and regulatory entities. For example, you are an importer and need a permit to import it, you input that information. Then if it's an agricultural requirement, you can pay for the permit and everything online, and it gets sent to the Department of Agriculture at

the same time. The Guam Customs and Quarantine Agency sees that this permit is paid for and ready to go. Hence, we are working towards it. It'll take us a little bit of time, but we'll get there.

- **Are you working to bring in a second US carrier to compete with United Airline?**
  - We're definitely always open to bringing in other carriers to assist with United. So, we're always out there trying to promote one to bring in other opportunities for this region.

## DAY TWO PLENARY PRESENTATION

**Mr. Neal J. Orringer**, President, Applied Science & Technology Research Organization of America

- **How would you define ASTRO's role in this emerging market and who are your major competitors?**
  - ASTRO America is a 501c3 nonprofit think tank. As such, our mission is to advance the public good through manufacturing policy and research. Through our work with the Government of Guam, we are analyzing economic conditions and making recommendations on policies that would support strong economic development and growth.
- **Can you create the AM printing center within the university, or will it be within the DoD base or elsewhere?**
  - ASTRO America is still conducting its feasibility analysis. We are interested in understanding the implications of various options for a project- as appropriate, that will support workforce development, technology insertion, and economic development.
- **Do you anticipate this technology will drive generic parts manufacturing to enable interchangeable parts for equipment and systems from various manufacturers?**
  - Additive manufacturing is a mature industry and is currently applied across multiple supply chains, including automotive, aerospace, health care, and energy generation. It has and continues to be applied in both new products and replacement parts across various such vertical industries.
- **What do you consider as crucial to Guam's attractiveness as an AM center of excellence beyond being a DoD hub? Given the challenges with no materials, AM skilled workforce and parts available locally, coupled with the lack of diverse industry, how can Guam become a player in AM without the DoD?**
  - It is precisely because of Guam's remote location that it would seem to be an ideal location for additive manufacturing to take hold. Rather than depend on a long industrial supply chain, additive manufacturing allows for on-demand production or specialized tooling. Such processes minimize reliance on widely sourced parts for assembly. We are interested in exploring potential feedstock sources that would be most convenient, for when an AM industry takes hold in Guam.
- **Will you be working with the University of Guam which is setting up an engineering school?**

- We are grateful for all of the support and interest throughout the community. The University of Guam personnel have been incredibly generous with their time and expertise in the development of our analysis. We very much appreciate their leadership and collaboration and look forward to exploring potential partnerships in the future.
- **Are there printers that do multimedia?**
  - I am not certain I understand the question. Additive manufacturing systems 3D print in a wide range of materials (metal, polymer, ceramic, even concrete). Prior to conversion to a printable (STL) file, designers are able to utilize a broad array of design software and tools.
- **What are the certification/quality control measures necessary for 3D printed components in critical equipment?**
  - Qualification and certification of production and material processing are typically regulated by a lead system integrator according to appropriate industry standards and/or local, state, and federal regulations. Additive manufacturing is no different than any other manufacturing industry when it comes to quality control—whether in the aerospace or medical device sector.
- **Any SBIR opportunities with this 3d manufacturing opportunity?**
  - Various federal government agencies frequently make Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) awards to companies and research institutions for additive manufacturing projects. Grants.gov is a good source of information on these opportunities.
- **Does DOD currently allow 3d printed parts as a part of its acquisition strategy?**
  - See: <https://www.cto.mil/dod-additive-manufacturing-strategy/>
- **What are the skill sets necessary that need to be developed to grow this capability?**
  - If you work your way through that process, one of my colleagues likes to say there's a difference between 3D printing and additive manufacturing. So, the first step in this process is computer-aided design. Can we start convincing engineers to think differently to embrace design for additives, which is going to be different from some of the conventional manufacturing processes. Then there's actually the production process itself depending on what kind of 3D printing we're doing, whether it's laser powder bed or other processes; using the machine, the firmware, the hardware, and then there's post processing, and this is no different from any other manufacturing process. There's going to be heat treatment. There's going to be a whole host of other processes, then coatings and testing evaluation that's required for any kind of metallography. So, there's a whole host of new skill sets that we're going to need to figure out how to fine tune on the island. We're really looking forward to working with the University of Guam and others, to start exploring how we can get this done.
- **What is the most popular medium for printing?**
  - When it comes to printing in the aerospace industry, there are a whole host of nickel-based alloys that are qualified. Titanium is a very common alloy. Back in 2003, one of the first aircraft that had 3D printed parts needed a lot of cooling ducts on an

aircraft. So that was one of the first applications of selective laser sintering for nylon. This is again not a new technology that is just now being explored by the current events that have been around for quite some time. There are a whole host of plastic components that are being readily accepted. All these are ketone, which is a very good, very good plastic. So, there's a lot of material science on the Navy side.

- **Do you see a market for items that have high use, need to be changed often, with low testing requirements of a good entry point into supporting the Maritime industry?**
  - Yes.
- **Will UOG be a potential partner for this project?**
  - Absolutely, as one of our most responsive and most exciting partners that we've been really privileged to get to know over the last couple of months has been an interesting one. We just visited Chamorro Village yesterday, it was really terrific. Makerspace with 3D printing capabilities was already on the island. We're really looking forward to developing partnerships with stakeholders such as the University of Guam, Guam Community College, Airport Authority, Port Authority, GEDA, and a whole host of other folks. We need the certification on quality control measures necessary for bringing printed components.
- **When does your contract with GEDA require a completed report for Guam?**
  - So, our phase one report is due in January for an initial assessment, and then phase two is six months thereafter. However, I would say that during phase two, it's going to be kind of a living and breathing process. So, as we begin to hear from other stakeholders, or certain US government officials who want us to move a lot quicker and want us to get into that proposal phase, we're not going to run away. We're not going to just wait for June, but I think having that June deadline will allow us to create a summary of where we stand and sort of a snapshot in time at that.
- **Are there any current production level applications for this technology, specifically in the buildings and infrastructure arena?**
  - I used to work at General Electric, which was the largest engine manufacturer. GE decided that they were going to insure the entire supply chain. So, they bought several 3D printing companies to absorb that capability. And with 3D printing, they're able to manufacture this component in one print. So, going from 24 assemblies down to one that's been accelerated in the last 10 years. There are no examples of subsystems that go from 300 parts down to 10.
  - I mentioned the medical device industry. FDA is certifying class one, class two, and class three medical devices. So, any titanium implants. Usually, you're going to see 3D printing playing a major part on the shipbuilding side. This is not science fiction and has been around for 30 years.

## EDUCATING AND BUILDING A WORKFORCE ON GUAM

Moderator: **Ms. Doyon Morato**, Member, SAME Guam Post

**Dr. Bert Johnston**, Director, GCA Trades Academy

**Dr. Anita Borja Enriquez**, Senior Vice President and Provost, Chair, Advancement Steering Committee, University of Guam

**Dr. Juan Flores**, Coordinator, American Job Center, Guam Department of Labor

- **Are any DoD services part of Guam Green Growth?**
  - G3 is an initiative of the executive administration with participation by many agencies, private sector and community members. The Center for Island Sustainability - Sea Grant welcomes conversations with DOD to explore areas of G3 collaboration.
- **What is the Digital Guafak?**
  - Digital Guafak is an online repository of information about the geographic region of Micronesia. It is intended to be a first stop for researchers seeking historical publications as well as current research produced about and by the islands. Right now, UOG is prioritizing the scanning and organizing of historical magazines, educational resources and other hard to locate publications created within Guam and the Micronesian islands. We have plans to digitize photographs of plants, archive videos, and Micronesian arts and are actively seeking outside funding to support these projects. When we know other organizations have useful information (e.g. primary data, other statistical data), we will create direct links to their sites and or resources.
- **Australia has TAFE where after 10th grade they can go to trade school to be master plumber or other trades. Can we have that in Guam?**
  - That is our goal. For the last several years we have been working successfully with Guam DOE to pilot a program training and certify high school students as construction craft laborers prior to their graduation. Discussions are underway to expand the program to other crafts.
- **What plans does Guam Trades have to scale to meet the construction industry's growing demand?**
  - The fact that we have faculty that's all contracted allows us to scale up and scale down and so we're able to scale up. We tend to follow mostly the NCR curricula which have about 70 to 80 that we can offer. We're doing about a half a dozen to a dozen of them right now. But if there's an opportunity for training then we'll be doing that. And more recently, we received a federal grant for \$2.2 million to train people on the installation, maintenance, and repair of solar facilities, including all of the panels for the batteries and all.
- **How can the Guam Education/Labor Entities assist the rest of Micronesia and the CNMI prepare for the workforce demands in their territories?**
  - We're getting phone calls from throughout Micronesia about being able to do classes down there and I said yes. Although I don't want to do the classes, I'll show them how to do it. And we set up programs in Palau and in the Marshall Islands about how to do these different programs. The only two successful ones right now and the idea is to develop feeder schools for the Trades Academy, picking the students where they can with the resources that they have and show up here on Guam.

- The US Department of Labor also engaged the Republic of Palau and the CNMI to build up their American Job Centers or their workforce development areas, and we're cooperating with them by helping them learn from our mistakes and share with them some of our plans for advancement.
- University of Guam has partnerships with every single two-year college across Micronesia and we signed two plus two or three plus one programs to bring the baccalaureate degree programs to them by bringing on qualified adjunct instructors who happen to be in their area and flying our faculty out. Then taking advantage of the remote learning capacity and looking for other ways in which we can provide more value to them.
- So, some of the people that speak different languages we've certified to become instructors for us by teaching employability skills and communication skills, using their languages to help improve on that.
- **How can UOG and GCA help GDOE make up for the setbacks in educational progress at the high school level due to the pandemic?**
  - We have a contract with the Department of Education and it started out as a pilot project. Several years ago, we had 12 students at GW, which was ready to expel them since they weren't attending classes and had no grades. But they offered them to take classes at the Trades Academy in exchange for credit toward graduation. The agreement was they had to graduate from high school. So, we took them on and we put them through our program, then their attitudes changed and grades improved. Since then we've been doing about 60 to 100 students a year. We mix them with the regular students, and it doesn't matter whether you're 67 or 13. You're in the same class. But we do not have any children.
  - We were heavily concerned about the state of readiness of the high school graduates. So, we launched the Triton Summer Academy, which is really an opportunity to beef up the Math and English comp capabilities of our incoming freshmen. We provided that free of charge and we wanted to incentivize them. But it turned out that we didn't really need to incentivize because the students really wanted to be ready for college and they signed up anyway. We also have other kinds of support systems in place like a tutoring lab with intent on ensuring student success across all arrays.
  - One of the things that we're rolling out, hopefully in December, but if not then by spring break is we're trying to develop an in-school youth program for those students who are already in the career technical education classes in the Guam DOE schools. And the idea is to get them into pre-employment workshops in December and in April, then in the summer we give them a meaningful job experience, more likely than not in the private industry. And the whole idea behind that is as the students participate in all these activities, they will get stipends. One of the things that we're also going to do is we're going to do an internship program within the high schools. The students that we have in our classes, we've been asking them to set up school for four days a week and on the fifth day, get somebody to supervise them and have them ready to work.

- **What needs to be done to plug the brain drain and keep skilled workers in Guam?**
  - I will start by saying that we must identify what our needs are in very specific ways and very generally, the other thing that I would like to suggest is we need to figure out a way to develop opportunities. I mean the American Job Center is limited by the parameters of the grants. But I think we can get away from that a little bit to say what are some other ways to get people to sponsor the preparation of young people in getting gainful employment.
  - Offer hybrid options and higher pay. But if you can't get a higher pay, then make your work culture better.
- **How many of the UOG students, when they first get on campus, are ready for college (I.e., how many require remedial math/English)?**
  - So, pre-COVID, we eliminated remedial English and we arrived at a wonderful program to ensure that we take students as they are and with the wraparound services through the Writing Center and other kinds of support, tutoring, teaching assistants and so forth. We want to help them persist throughout their degree and not have to worry about being stuck in remedial courses. So, we saw 80% of the students who were entering and placing and remedial math, which was an alarming figure. Some of them never get out of remedial courses. And when we transitioned to a new format with the curriculum, the 80% shrunk to a 20% placement in remedial math. Then coming out of COVID that rate has increased from 20%. We're now up to about 60% or 70%. So, there's a lot of work around that. But we do have some amazing programs to get them through that path.
- **How many graduates from UOG are able to find jobs? What percentage?**
  - I'll just give you a summary answer to that. We are a commuter campus; a number of students already are employed either part time or full time. And we do survey them. Those obviously who get into these competitive kinds of majors if they're going off to graduate school on or off-island; they get certified whether as nurses or other kinds of professions. If they can't find good paying jobs on the island, then they tend to move away to the continental US. But we've seen a little bit of an exodus of college graduates following family members who have set up a residence in the continental US because the job market is not as attractive to them except for if they work for the federal government or they work with an off-island firm that happens to have a satellite branch here. So, that's an area that we need to work on to keep these quality graduates on Guam.
- **What are UOG's recommendations to improve transition to gainful employment on island instead of leaving off island?**
  - So, we've beefed up our Career Development Office. But what's important is to have these partnerships with employers so that we can provide a pathway that's going to work to fill in your succession plan and a diversified talent pool that you're looking for. Be more responsive to what your needs are.

## LABOR FORCE UPDATES

**Mr. Greg Massey**, Administrator, Alien Labor Processing and Certification Division, Guam Department of Labor

**Mr. Nelson Xu**, Partner, Baumann, Xu and Black, LLC

[https://whova.com/portal/live\\_qa\\_result/econo2\\_202205/2595452/](https://whova.com/portal/live_qa_result/econo2_202205/2595452/)

- **Can H2-B visas be approved for multiple labor categories/skill sets for one laborer (I.e. we can use one person for plumbing AND/OR carpentry AND/OR electrical dependent on current requirement)?**
  - A H2B worker cannot concurrently have two full-time positions; therefore, the worker cannot have two different job categories at the same time.
- **What is the average processing time for an interview with the US embassy? How can this be improved?**
  - Each embassy is different in visa processing time. Nonimmigrant visa interviews can take 1-2 months in the Philippines while taking a few days in Japan. It all depends on the number of applicants waiting for the interviews.
- **Is there a hotline to report any misuse or mismanagement of H2 labor? What are the ramifications?**
  - Misuse or mismanagement of H2B workers can be reported to GDOL and USDOL's office in Guam.
- **Is the \$15 federal minimum wage applicable to H2s?**
  - As for the first question, USDOL says: "The H-2B employer must pay its H-2B workers and workers in corresponding employment at least the wage rate specified in the job order. That wage rate must be at least the highest of the prevailing wage rate obtained from the Employment and Training Administration (ETA) or the applicable Federal, State, or local minimum wage." Therefore, the federal \$15 minimum wage will affect H2B wage.
- **Has anyone obtained H2B workers in the CNMI lately? (For years, they were all being denied). Can H2B workers work in the CNMI on non-military projects now that CW workers can no longer work in construction?**
  - HCB in the CNMI is different. We're very unique. Labor certs are done by the US Department of Labor. Yes, there is the NDA exemption for the CNMI.
- **Is there a cap on the number of H1B employees that a single employer can have on staff at a given time?**
  - No, unlike some other visas. I think because this is based upon the knowledge and degree, so as long as you're offered a position for a specific occupation and as long as the employee has the required qualification for the position then they can bring as many H1Bs as the employer needs.
- **What happens if a company doesn't pay prevailing wages to their H2 workers?**
  - If you don't pay prevailing wage, at a minimum, you're going to have to pay back wages. And if you haven't paid prevailing wages for quite some time, there's going to be possibly a large assessment. If it's on a different project or MILCON project, you might have the US Department of Labor after you at the maximum. There is a section in Guam law that says if it's a willful violation then potentially you are disbarred from the program.
- **Is it acceptable for H2s to stay in hotels for housing?**

- That's kind of a yes or no question. So, hotels have permits issued by Public Health. You could house them in hotels. It's expensive but it's possible.
- **Will the Philippines be approved in the future as part of the Guam Visa Waiver programs due to the long process of the issuance of H2 visas?**
  - That's a question for the government. But there is a hard number as I was told that it depends on how many people come into the United States. We sort of put our visas and return leaving the United States timely. If there are too many overstays or violation of visa conditions then the country will not be able to participate in the Visa Waiver Program. As of now, the Philippines is not in the Visa Waiver Program. The Government of Guam and other agencies have been trying hard to get the visa waiver approved for the Filipino nationals.
- **Is the Philippines a country that's preapproved for regular H-2b petitions?**
  - The Philippines were taken off the list like two or three years ago and do a lot of lobbying efforts, as well as efforts from our administration. But it was put back on the list recently.
- **Why is the polo process slow? How can we speed this up?**
  - So, the polo process wasn't that active before. Then in the past few years, they've become a little bit more active, especially with the Philippines being taken off the list and the allegations of human trafficking of Philippine citizens. So, the polo process is really actively advocating for their people right now. I mean, that's the Philippine government and we don't have control over that. But there's a new ministry and they've committed to making it easier.
- **Can spouses or children of H-1B visa workers accompany them to Guam? If not, is there a separate visa option for them to come to Guam?**
  - Yes, there is a visa category that is fully dependent on H1 visa, which are the spouse of H1-B visas and children. So, you can come to Guam or the United States. The purpose is to accompany the H1-B visa holders to live in the United States. And for H4-B category there's no work authorization. However, they can go to school in lieu of an F1 student visa.
- **What locations are acceptable for sourcing H2 labor? Are there any differences in processing eligible H2s from different countries I.e., Taiwan & Philippines?**
  - Sure, there's a list of approved countries that's published every year by USCIS and the most recent one just came out last week. The list is basically a pre-approved list. And when the Philippines was taken off, we still got workers in from the Philippines, but you had to jump over some really big hoops to get there. And the big hoop that we had was national interest. Most of the projects were for military projects and that was in the national interest.
- **What are the costs associated with a H-1B visa? How does it compare in cost per year compared to an H-2B visa?**
  - The USCIS filing fee for each one is \$460. USCIS USA immigration also charges a \$500 per application for fraud prevention fees and depends on the size of the employer. If the employer has more than 25 full-time employees, there's \$1,500 training fees to be charged and then for the employer that has fewer than 25 full-time employees, the

training fee is \$750. Immigration also has this premium processing in place for issuing visas. And most of the employers utilize the premium processing services and the fee for premium processing is \$2,500 per application.

## COMMERCIAL AND PUBLIC WORKS CONSTRUCTION PROJECTS

Moderator: **Mr. Joseph "Joe" Patterson**, PE, Sr. Construction Engineer, NAVFAC Marianas DC5, Design and Construction Business Line

**Ms. Siska Hutapea**, President, Cornerstone Valuation Guam

**Mr. Tamio "Tom" Clark**, Representative, Guam Association of Realtors

**Ms. Vera Topasna**, Executive Director, Community Defense Liaison Office, Office of the Governor of Guam

**Mr. Vincent Arriola**, Director, Department of Public Works Guam

- **How much of an influence does the military's housing allowance have on the market?**
  - The military housing allowance has a considerable amount of influence on the market as a whole. In fact it is one of the determining factors that keep the prices as high as it is now, which works positively for landlords; but works negatively for non-military individuals and families looking for homes, apartments and condos. The present military rents have priced many local renters out of the market. The present expansion and buildup of the military will most likely continue this trend for the foreseeable future.
  - HOA used to be above market, but the rates have been approximately at the same level in over ten years except for the lowest ranking. The market rate has caught up as the median price of single-family dwelling has experienced annual double-digit growth in the last five years. Various recent closings of rental on MLS have reflected rates above the typical \$2,205-\$2,450 monthly rates. The other subsidized rent category, Section 8, may now have more influence in affecting the rental market with recent increases.
- **Will these road expansion projects include bike lanes or be wide enough to support cycling traffic?**
  - We're looking at a bike route that is going to be throughout central Guam and three areas of bicycle lanes. So, we're working with the bicyclists here, but the big problem here is the lack of space from a good portion of the roads. The local law right now says that bicyclists have the same right to use the roadway and so we're going to designate certain lanes and routes.
- **What is the opinion of the real estate experts with regard to LIHTC developments on Guam? Is the market saturated?**
  - With this low-income housing tax credit in the beginning, GRA set aside about \$2 million per year for this low-income housing tax credit and it was able to provide about 100 units a year. Although lately, the tax credit has been increased to around 3 million. But with the rising construction costs you can only build like 60 units, and we need more than that to be able to help with the housing issue.

- **How is DPW doing with regards to timely payments to its contractors?**
  - We have our folks from Honolulu that oversee Guam as well. So, they're very meticulous as well when it comes to us paying our contractors running the program, making sure we follow the stringent rules that operate this program. And a big part of that is payment to contractors. So, we have a stewardship agreement with the federal government that ensures and mandates us to pay within a certain time prior to my arrival there. I can safely say we're doing well within 30 days for a clean invoice. We get all invoices reviewed by the construction manager, the project manager, and the program manager.
- **What changes is DPW looking to make to attract contractors away from the military projects to construct GovGuam projects? Contractors perceive military projects as having less risk.**
  - I just mentioned we've got six road projects that are on the board for design. I don't want to be met with a bunch of contractors and a lot of them mentioned that there are too many strings attached to a lot of our federal programs. And I understand that when you do construction inside the base, it's quite a bit different from outside of the base, even though it comes from the same pot of money. But we have streamlined the process. .
- **Are there any plans for all GovGuam RFP's to be hosted on a government site (similar to SAME) instead of each state agency hosting their own procurement on their own specific website?**
  - It's all on the DPW website now. For other types of procurement like public health then that would be on the GSA website.
- **Do you anticipate CEXO/MEC clearance companies being involved with off base construction activities? What estimated % of the budget will be utilized for CEXO clearance if so?**
  - I was just talking with Hawaii Rock and we don't do back construction here, but we are going to have to look into that because that's the way to go. Our procurement system here in Guam is antiquated and cumbersome. It's very costly and timely. It just takes too much time to get the road construction going back on average. From the moment we get funding and until we finally break ground it could take anywhere from two and a half to three years. But I would say that we have a relationship currently for any ordinances found outside of the base with the fire department and EOD that I think works very well.