

DOD: \$566M proposed for Guam

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The National Defense Authorization Act for Fiscal 2011, which passed the House Armed Services Committee on Wednesday, proposes to set aside over \$566 million for military construction projects on Guam.

The bill also would authorize the federal government to transfer the Navy's water and wastewater assets to the Guam Waterworks Authority, a move that the chairman of the Consolidated Commission on Utilities applauded yesterday.

But the bill still needs to move through full consideration on the floor of the House of Representatives next week, according to a press release from Guam Delegate Madeleine Bordallo's office.

In 2006, the United States and Japan agreed to share the cost to lessen the presence of U.S. Marines in Okinawa, in part by relocating 8,000 Marines and their 9,000 dependents to Guam. The cost of relocating the Marines and building a base on Guam was estimated to cost \$10.27 billion, with Japan paying about \$6 billion of that amount, according to Pacific Daily News files.

In the 2010 National Defense Authorization budget, Guam was allocated \$734 million for buildup-related construction projects, according

TO THE POINT

▲ The defense spending bill proposes over \$566 million for military construction projects on Guam in fiscal 2011.

BY THE NUMBERS

Compared to last year, the National Defense Authorization Act sets aside less funding for Guam's military construction projects. The fiscal 2011 defense spending bill, passed unanimously by the House Armed Services Committee on Wednesday, will be sent to the House floor next week.

Fiscal 2010 Guam Military Construction Authorizations

▲ **Projects on Andersen Air Force Base**
Commando Warrior Operations Facility \$4.2 million
Northwest Field Perimeter Fence and Road \$4.7 million
Northwest Field Combat Support Vehicle Maintenance Facility \$15.5 million
Electrical infrastructure upgrades \$33.75 million
Andersen north ramp improvements, phase 1, \$88.8 million
Andersen north ramp utilities, phase 1, \$21.5 million
▲ **Defense Logistics Agency**

to Pacific Daily News files. That was out of the total \$680 billion approved for defense spending that fiscal year.

For fiscal 2011, Guam is proposed to receive a smaller sum than last year, from a grand total of \$708 billion budgeted to support ongoing defense contingency operations overseas, according to Bordallo's office.

However, it would still be a record level of military construction projects in a fiscal year, with the exception of fiscal 2010 appropriations, said Guam Department of Labor chief economist Gary Hiles.

"Also, appropriations of the

Agana Naval Air Station gas storage facility \$4.9 million
Army National Guard Barrigada Readiness Center \$30 million
▲ **Navy**
Apra Harbor wharves improvement, phase 1, \$127 million
Consolidated training facility \$45.3 million
Defense access road improvements \$48.9 million
Military working dog relocation \$14 million**
Torpedo exercise support building \$15.6 million
Family housing, replace North Tipalao, phase 3, \$20.7 million
▲ **Defense Health Programs**
Hospital replacement, phase 1, \$259.2 million

Total: \$734 million

Fiscal 2011 Guam Military Construction Authorizations

▲ **Projects on Andersen Air Force Base**
Guam Strike Ops Group & Tanker Task Force \$9.1 million
Guam Strike South Ramp Utilities,

phase 1, \$12.2 million
Combat Communications Operations Facility \$9.2 million
Red Horse HDQ/Engineering Facility \$8 million
Commando Warrior Open Bay Student Barracks \$11.8 million
▲ **Army**
National Guard Combined Support Maintenance Ship, phase 1, \$19 million
National Guard Readiness Center (Assembly Hall/SRP) \$778,000
▲ **Navy**
Marine Aviation - AAFB North Ramp Improvements, phase 1, increment 2, \$93.5 million
Marine Aviation - AAFB North Ramp Utilities phase 1, increment 2, \$79.3 million
Apra Harbor Wharves Improvement phase 1, \$40 million
Defense Access Road Improvements \$66.7 million
Finegayan Site Prep and Utilities \$147.2 million
▲ **Defense Health Programs**
Hospital Replacement, increment 2 \$70 million

Total: \$566,956,000

Figures may not add up due to rounding.

Japanese government are available in addition to U.S. appropriations, so the total amount of funds available for military construction contracts on Guam will be at record levels," Hiles said.

Additionally, some provisions pushed in the bill this time are "great news," according Consolidated Commission on Utilities Chairman Simon Sanchez.

Water systems

While the bill was considered by the House Armed Services Committee, Bordallo was able to include

her recommendation that the Secretary of Defense transfer the Navy water and wastewater assets, including Fena Reservoir, to the local water agency.

"This authority will help to eliminate unnecessary redundancies and create economies of scale in our current water and wastewater system that could ultimately improve service across the island," Bordallo stated.

However, she added that Guam Waterworks Authority will shoulder the cost of this transfer, paying a fair market value to convey the Navy's

system.

"The total cost could be offset by the cost of unreimbursed compact-impact costs to Guam," her press release stated.

Hiles said this is a "creative mechanism" for GWA to acquire the assets without out-of-pocket cost, while providing GovGuam some form of benefit for the unreimbursed compact expenses.

"Also, DOD would be a customer of GWA and that would provide an increased revenue base to help cover costs," he said.

Sanchez said the integrated system would restore Guam's water resources to its rightful owners — the people of Guam.

He recalled a similar transfer in the late 1980s when the Navy transferred its assets and became a customer of the Guam Power Authority, Sanchez said.

"It follows an identical model that we have followed successfully before, which is why the CCU was always confident what worked for power would work equally well for water," he said.

The commission and water agency now have their work cut out for them, he said.

"We'd have to understand all of the Navy systems, we'd have to understand how it would integrate it with GWA systems," Sanchez said. "The military buildup that is pending (gives) an excellent opportunity to begin the new systems that will (be) built for the buildup, and undoubtedly there will be performance standards and other criteria necessary to ensure that all citizens are able to receive equal service."