



A Strategic Approach

Utilizing CNMI's Natural Resources to Provide

Complementary Support to DoD Guam

2009

**This study was funded from a grant from the Department of Interior,
Office of Insular Affairs**



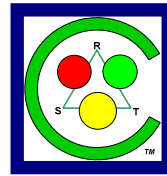
A Strategic Approach

Utilizing CNMI's natural resources to provide complementary support to DoD Guam

4th, November 2009

Department of Commerce

Commonwealth of the Northern Mariana Islands
Saipan, MP



**Project
Management
Operations, LLC**

Managing
The Critical
Path

Dear Secretary of Commerce Ada,

Project Management Operations, LLC is proud to present to you the document, "A Strategic Approach Utilizing CNMI's Natural Resources to Provide Complementary Support to DoD Guam".

As you know, the document was designed to market the idea of how to successfully approach the DoD to bring investment into the CNMI to meet the ultimate goal of improving the local economy. We designed the paper with sustainability in mind and therefore put the following in the document:

- A Goal Statement to complement support to DoD Guam, helping to align the people's direction and to send a message of cooperation to the DoD Guam.
- Understanding DoD priorities so the CNMI know where to focus first.
- Matching observed resources of the CNMI with the needs of the DoD based on their priorities of operation.
- Provide phased approach to allow the CNMI to optimize resources and build their skill base along with recommendation in reinvestment into the community to sustain long term economic success.
- Provide examples of contracts along with how to do business with the DoD.
- Analysis of DoD spending habits and trends.
- A take away of DoD talking points to help cultivate discussion and initializing recommended projects.

PMO, LLC recommends the CNMI hire a military liaison to act on the behalf of the CNMI, working to create the necessary relationships with the DoD while creating a phased approach and strategy on which projects the CNMI will pursue in the interest of the people.

All the Best to You and the CNMI People,

Lawrence M Stenger
Project Manager



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Office of Insular Affairs

1.0 Executive Summary

1.1 Preface

The CNMI is looking to understand how the Military buildup can be beneficial to its people. The goal of this document as outlined in the project scope and requirements section, places main emphasis on military opportunities associated with the regional buildup. This document will provide a recommended strategic goal for the CNMI along with the order of importance in engaging the Military such as:

- 1) Operational Support
- 2) Supply and Maintenance
- 3) Quality of Life

Providing complementary support and services to Department of Defense (DoD) Guam (note: DoD-Guam is referenced as all the joint military services presently on Guam) and in order of importance with Operational Support priority then with focus on Supply and Maintenance provides best opportunity and sustainment. After capturing both Operational Support and Supply and Maintenance, the CNMI's next focus should be on Quality of Life services and activities as this now becomes easier to obtain since relationships and capabilities of the CNMI will then more be apparent and valuable to the Military.

Lastly, **it is critical that the CNMI have a Military Liaison** hired with the knowledge of Military operations and language to help create the necessary relationships to affectively meet both the Military's and the CNMI's requirements. The logic that forms the foundation of this recommendation comes from the interviews conducted with DoD and other Federal Government procurement officials in the Pacific region and the Continental United States (CONUS). During the research phase of this project, the team sat down with approximately 30 different contracting officers and asked "what does it take to do business with the Federal Government?" To a person, the officials gave the same basic response. The entity must have the capability, the resources, and experience to provide the needed service. The last piece of the pie that the officials gave to the team was: *"I must be confident that the requirement will be met in a timely and efficient manner"*. The obvious follow up question to that is: "How does the entity instill that comfort?" The most common response was (paraphrased): *"I must feel confident in the person that represents the entity"*. The personal selling and, ultimately, the professional relationship builds a level of rapport that gives the



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procurement official the confidence that the entity will meet the expectations of the government.

The CNMI needs that person who can build rapport by speaking the language and understanding the needs of the DoD while maintaining vigilant support of the CNMI's resources, heritage, and goals for providing support to the DoD and its allies.

1.2 The CNMI Goal Recommendation

The CNMI's opportunity during the Military buildup in Guam hinges on setting a goal to appropriately create direction and focus to achieve a vision for success. Currently, there are three recommended choices for strategy:

- 1) Treat Guam as the competition regarding military operations and service support;
- 2) Recognize Guam as an ally and offer complementary operational support and services;
- 3) Maintain Status Quo by continuing to market CNMI's natural resources to the surrounding populations.

Option 1: If the CNMI views Guam as their competition regarding military operations and support, then the CNMI has lost. Department of State (DoS) who set foreign policy which dictates where troops will be sent and the Department of Defense (DoD) implement the DoS policy have already chosen Guam as the principal site for the regional buildup and committed funds to the Military Construction to support the increase in Operational Tempo and Direct Support required for ongoing operations.

Option 2: If the CNMI views Guam as a partner, then together the communities can provide a complementary set of operational support, supply and services along with the opportunities to utilize the natural resources and beauty that the CNMI offers; the islands can enjoy the successes of Guam and reap the benefits of the increased revenue opportunities for the near and long term alike.

Option 3: If the CNMI maintains the status quo, focusing on tourism or Morale, Wellness, and Relaxation (MWR) while providing various goods and services then the CNMI may forego the best opportunity to exhibit its people's knowledge, skills and abilities to the DoD and its allies.



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The recommendation for the CNMI is to choose option 2, be a complement to Guam's military buildup with the following strategy focuses in order of importance: Operational Support; Supply and Maintenance Support; Quality of Life Service.

Operational Support

Military Operational Support is defined as direct support to military operations such as providing airfield operations centers where the Air Force and its allies can conduct training exercises. The operational readiness of the forces in the DoD are the number one priority of all of the uniformed services and their members. Providing direct support to the DoD and its warfighters is the area in which the highest priority for funding, training and infrastructure development is placed and resourced.

Recommended focus areas include Operations: Aerial and Surface; Maintenance; Prepositioned Stocks.

“One of DoD’s highest priorities is maintaining the readiness and sustainability of U.S. forces”¹

Supply and Maintenance Support

Military Supply and Maintenance Support activities are defined as administrative and other non-operational functions that are required by the DoD and its allies to successfully complete military operations. While these activities are non-operational by definition, each activity is vital to the success of exercises, training and contingency operations. The “logistics tail” is comprised of various capabilities and classes of supply depending on the nature, the geographic location, and the makeup of the force that is conducting the operation. However, common levels of support are required across the spectrum of operation for the DoD. This requirement provides an excellent opportunity for the CNMI to provide complementary services to the DoD-Guam community while optimizing the organic knowledge, skills, and abilities of the islands’ people. **Focus areas include:** Logistics Support; Subsistence; Human Capital.

Quality of Life Services

Quality of Life (QoL) services and specifically, Morale, Welfare and Recreation (MWR) is defined as those off-duty activities that Service members and their families participate in that are away from the military installation to which they are assigned. While these services are of vital importance to the success of the defense community, it is often resourced last in the process and is viewed with much scrutiny especially during ongoing contingency operations. Thus, by providing operational

¹ MIRC 2009



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and service support activities first, the CNMI puts the community in a positive position to receive the funding and support necessary to provide QoL services to the service members and civilians who may be comprised of both the DoD-Guam and CNMI community. Bottom line: Provide the operational and support service and the QoL funds will follow. **Recommended focus areas include:** Rest and Relaxation Infrastructure and Services Armed Forces Recreation Center (AFRC); Utilization of the CNMI's natural resources (Weather, Beaches, Water Sports, Pristine Scenes, and Historic sites).

1.3 Closing

The CNMI can optimize its opportunities to provide goods and service to the DoD-Guam community by primary emphasis on Operational Support followed by Service Support and finally, on Quality of Life services. This hierarchy of emphasis is in alignment with the funding and resourcing requirements, where operations and operations support are funded with the highest priority before other programs are considered, for the Department of Defense and its services. Furthermore, it is critical that the CNMI identify and place a military liaison in the decision making process to ensure that the resources of the CNMI and its people are adequately championed to the DoD, Department of State (DoS) and the island of Guam.



2.0 Project Scope, Method, and Consultants

2.1 Scope

Recommend a strategy approach to best utilize CNMI's natural resources to provide complementary support to the Department of Defense (DoD) and its allies in Guam and the Pacific region.

The following main document requirements were recorded:

1. Recommend a strategic approach for the CNMI to participate in the regional military build-up.
2. Analyze the CNMI's competitive advantages using a Strength, Weakness, Opportunity and Threats (SWOT) using any political, environmental, socioeconomic, and technology (PEST) indicators where necessary.
3. Detailed customer (DoD) analysis to help with follow on projects where relevant.
4. Provide an analysis of complementary follow on capabilities and requirements to help with follow on projects.

2.2 Project Method

This project utilized only publicly available documents, interviews of both public and military, along with internal subject matter expertise available to make the necessary recommendations. The project used a method of processes staged to create the desired outcome.

The stages of the process are listed as:

- Identification of three Goals for the CNMI to choose from
- Recommend a Goal and Statement for the CNMI to follow
- Set Recommended Objectives based on the Goal
- Provide a mix of short to long term timed phased approach for opportunities
- Perform a SWOT analysis on the opportunities identified
- Derive assumptions from the audit and SWOT analysis
- Formulate a conclusion and recommendations to move forward
- Identify any follow on opportunities where possible



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2.3 Project Consultants

The Governor Benigno R. Fitial's Strategic Economic Development Council (SEDC) in 2008 applied for a grant from the Federal Government to study a strategic approach to utilize CNMI's natural resources to complement the military buildup in the Marianas region. The strategic approach is the first step in determining what initial steps the CNMI should take to provide solutions to the customer (the DoD), helping the CNMI increase the chance for best benefit during the regional military buildup.

In January of 2009, Department of Commerce on behalf of the SEDC released a Request for Proposal to hire a consulting company to study and propose a strategy. In May of 2009, Project Management Operations, LLC (PMO) was hired as the consultants to perform this task.

PMO's Project Team Include:

Project Manager - Lawrence M. Stenger

Mr. Stenger has +19 years of project management experience, heading technical, engineering, and business analysis projects in various countries around the world. Mr. Stenger currently resides in Denver, CO USA.

Military Expert and Strategist - Anthony R. Merritt

Mr. Merritt has +11 years experience working with the Department of Defense and is a veteran. Mr. Merritt specializes in process improvement utilizing Lean Six Sigma methods. Mr. Merritt has master's degrees from Syracuse University in Public and Business Administration. Mr. Merritt currently resides in Germany.



3.0 CNMI Opportunities with the DoD

3.1 Preface

In order to effectively identify, plan for and manage the prosperity that the CNMI has in front of it, a comprehensive plan that is agreed upon and championed by the leaders of the government and the people must be completed. The guidelines proposed in this document identify key opportunities for offering complementary services to the Department of Defense (DoD), its member services and its allies. These key support elements provide the CNMI with multiple opportunities to identify, grow, and develop the culture, natural resources and human capital that make the CNMI an excellent place to live, raise a family, and work.

The opportunities also present challenges that, while significant, are not insurmountable but will require a concerted effort of all people in the CNMI. Other examples of such successes are as varied as the culture in which it operates, but each have a common theme of vision, goals, objectives and, most of all, unity in effort. The CNMI is no different. A common goal to develop and grow the islands and its culture needs to be centered around mutually beneficial projects that provide exponential return on investment for the generations that follow in the current leaders' footsteps.

These coordinated efforts will require the communication and cooperation of all branches of government, partnerships with the private and public citizens of the CNMI, and a unified voice in extending the capabilities and willingness to work closely with the DoD and its members.

3.2 Military Operational Support

Operational support is the critical element in securing funding from the DoD and the Federal Government in general. A direct support mission that provides mission capabilities to the contingency operator receives higher emphasis from the committees of congress, both authorization and appropriations subcommittees, and the Department of Defense budget offices. In short, operational support has the most money to spend and the highest priority for resourcing.

Port Operations

Port operations for a military installation are critical to the success of contingencies, exercises, and daily functions of the installation. In order for the installation commander and its service members to carry on with life, the port operations must



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be functioning. Because of the proximity, land mass and relatively benign weather patterns, the CNMI has an excellent opportunity to provide operational support to the DoD by complementing DoD-Guam's infrastructure and development by providing alternate aerial and surface port capabilities.

These alternate port facilities could be utilized to enable enhanced training opportunities for deployment training as well as operations and maintenance (O&M) logistics functions. In addition to the training opportunities, the airfield operations facilities, supported by the US Air Force Guam operations staff, provide alternate hangar capacity in the case of relocation of aircraft and crews due to mission requirements and/or weather. Currently, the region's capacity is limited and the alternative for support is in Japan or Hawaii. The CNMI would be a high "value add" capability to the Air Force and the DoD-Guam community.

Similar to the Aerial Port Operations, the surface port operation are equally critical to the success of contingencies and exercises. The CNMI's vast waterfront resources provide a unique opportunity to conduct joint exercises that emulate landing at unimproved port facilities to provide theater or area of operation port opening capabilities. The follow-on exercises from which the DoD could benefit include Joint Logistics over the Shore (JLOTS) and In the Stream Discharge. Each capability is critical to the success of the forces when operating in a littoral region that has limited deep water port capabilities and/or geographic limitations (shallow water or reef) that require landing in a shallow draft environment. The successful practice of these critical skills serves as a key enabler to the DoD forces.

Once deployed, the services require training capabilities that emulate the terrain in which it will be operating. Because of its undeveloped resources and it is an American territory, the CNMI has the unique opportunity to provide an island training center that is unlike any other in the DoD's cache of training facilities. The resources serve as a blank canvas on which the DoD and CNMI can collaborate to build a robust set of resources to fulfill the requirements for training, support and quality of life services. In other forward locations, the DoD is operating in either a foreign country that has many restrictions in place or the resources are developed leaving little maneuver capabilities for the military. The CNMI can provide a training area that provides live fire capability for the forces. In addition to the live fire capabilities, the DoD uses simulated exercises on an increasing scale. The development of a multipurpose joint training facility will provide critical capabilities to the DoD, its members and its allies. The CNMI's natural resources and proximity to the other forces in the region give it a unique competitive advantage that should be explored.



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The CNMI's unique situation provides the DoD with an excellent option for training and support services.

Additionally, the CNMI's facilities could then be used as contingency support center for supply chain management functions that are critical to supplying the service members that are engaged in carrying out the Nation's military and humanitarian missions. The accessibility of both modes of carriers provides the DoD a unique and needed capability for providing support to the service members and its allies. An example of port functions for training and contingency operations are shown below.

Lastly, the CNMI's resources can be utilized to provide surface training areas as well. These training areas encompass the full spectrum of ground operations that is encountered by the DoD and its services. The smallest of which is small arms training ranges which is designated by weapons caliber (for instance: 7.62mm and below for small arms). This type of range, which is being planned for Tinian, is an excellent way for the CNMI to utilize its available resources to meet the needs of the DoD, in this case the Marines, and take advantage of the opportunity to provide critical operational support while gaining the opportunity to receive capital investment into the CNMI economy.

Historically, ranges of this nature have been estimated to provide between \$10M and \$25M capital investment into the construction of the project. The CNMI has the opportunity to propose further capital investments by offering land for ammunition storage facilities on Tinian. The users of the range will require ammunition for each training rotation. This ammunition will have to be transported into the island each time or it will need to be stored on the island. The storage option will allow the CNMI to propose storage facilities to be built and maintained on Tinian, furthermore, it is suggested that the storage facilities be built inside the airport perimeter to take advantage of the active security that is already in place. Having the ammunition stored on site will minimize the impact of altered traffic patterns required for hazardous material transport through the airport or the sea port. These storage facilities, based on estimates from the DoD and Corps of Engineers, require a capital investment of up to \$10M (range \$887K to \$67M per project) depending upon size, complexity, and geographic location.

3.2.1 Opportunity Descriptions for Operational Support

The following are detailed descriptions of potential opportunities the CNMI may have with the DoD.

Aerial

- Deployment Training



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- Port of Embarkation – Point of Origin; Staging, Marshalling, Customs and Agriculture clearance, and Loading of equipment and passengers
- Port of Debarkation – Point of Completion; Similar operations to POE but also preparation for Receipt, Staging, Onward Movement and Integration (RSOI) into the force in the area of operation.
- Contingency Operations Support
 - Staging of Prepositioned Equipment: Rotational stock and depot level maintenance capabilities could provide key supply chain management functions to the US Pacific Forces.
 - Deployment Support: Similar function to the training capabilities that are described above, but also provide temporary berthing for deploying service members
 - Depot Level Maintenance of Tactical, Support Vehicles and Support Equipment

Surface

- Deployment Training
 - Port Operations – Embarkation and Debarkation
 - Joint Logistics over the Shore (JLOTS): This is a capability that is in the joint force arsenal for performing port operations in an unimproved environment and is much faster to implement. Additionally, it is to augment inadequate surface port facilities until other infrastructure enhancements can be realized.
- Contingency Operations Support
 - Staging of Prepositioned Equipment
 - Deployment Support
 - Depot Level Maintenance
- Ground Forces Training
 - Training Areas
 - Live Fire
 - Small Arms
 - Large Caliber
 - Mechanized Training
 - Urban Area Training
 - Simulated Exercises Training
 - Maintenance Procedures Training
 - Injury Treatment Training
 - Language Instruction and Cultural Awareness Training
 - Joint Combat Virtual Training



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- Pre-Deployment Training



3.2.2 Follow-up Projects List for Operations Support

The following projects have been identified earlier as potential for the CNMI to pursue based on current capabilities and natural resources available. The summary list is broken out into contingency and training operations along with infrastructure recommendations and the human capital resources that are generally required. Following the summary, a Strengths, Weaknesses, Opportunity, and Threats (SWOT) analysis, see figure 1.1, was completed to help CNMI leaders and planners in creating solutions for the DoD.

Contingency and Training Functional Capabilities

- 1) Joint Logistics over the Shore (JLOTS)
- 2) Ports Operations – Embarkation and Debarkation
- 3) Required Flying Hours (Maintain Qualifications)
- 4) Austere Environment Operations (Simulates Deployed Environment)

Infrastructure

- 1) Hangar and Maintenance Facility
- 2) Alternative Airfields
- 3) Storage and Supply Chain Management Facilities

Human Capital

- 1) Airfield Operators
 - a. Ground Crew
 - b. Maintenance Crew
 - c. Air Traffic Control
 - d. Airport Administration
 - e. Terminal Operations
- 2) Bonded Security
 - a. Weapon Carry Qualified
 - b. Customs and Immigration
- 3) Maintenance Specialists
 - a. Air Frame Mechanics
 - b. Ground Equipment Mechanics
 - c. Airfield Grounds Maintenance



SWOT Analysis Figure 1.1: Operations Support



SWOT Overview of Figure 1.1

Overall, the best opportunity for the CNMI will be to show its awareness of the DoD's needs and to demonstrate its willingness to support the US mission in the region. The CNMI needs to move swiftly, but surely, to secure a seat at the table when support operations are being discussed. Accessing the money available to the region for these functions is the gateway to access the other projects that are or will be available in the near future.



3.3 Military Supply and Maintenance

Military Supply and Maintenance Support activities are defined as administrative and other non-operational functions that are required by the DoD and its allies to successfully complete military operations. While these activities are non-operational by definition, each activity is vital to the success of exercises, training and contingency operations.

Overview of Supply Chain Services

Once the CNMI establishes Operational Support as a primary approach with the DoD then the infrastructure built in support of operational training and deployments could then be expanded to support operations and maintenance activities for DoD-Guam and the Pacific region. Current physical limitations and recurring negotiations with host nations, like the Marine relocation to Guam, keep the DoS and DoD looking for ways to alleviate the physical constraints that plague most overseas military installations. The CNMI has the resources available to provide physical solutions to the ongoing problem the DoD faces.

The mild weather, gentle and accessible landscape, and central geographic location enable the CNMI to make a strong case for providing supply chain management services to the DoD and its allies.

In addition to the supply chain management services, depot level maintenance and its need for large land masses to support the facilities is difficult to find in forward stationed locations. More often than not, depot level maintenance is performed in the Continental United States (CONUS) or in Europe. A viable alternative in the region would be a welcome addition to the options for the DoD and its support functions. The natural resources that are available to use by the DoD give the CNMI a distinct competitive advantage over any of the existing and potential locations.

The opportunities offered in this phase of support to the DoD provide the long term stability needed to identify, select and develop new generations of workforce leaders for the CNMI. The knowledge, skills, and abilities required for successful completion of these types of support services are universally applicable to the public and private sector alike. The development of the skill sets required will prove to be beneficial for many generations to come.



3.3.1 Opportunity Descriptions for Supply and Maintenance

Subsistence for the Military include food and water, requiring management, handling, and distribution or Logistics.

Solid Food:

- **Meals Ready to Eat (MREs):** are things that are ordered and stored. Therefore the CNMI will have the opportunity to provide the logistics services such as warehousing (storage), distribution, and inventory management.
- **Field Prepared Meals:** are meals that are cooked in the field. The CNMI's opportunities include providing fresh foods such as meats, vegetables, and grains in support of field operations being conducted in the CNMI and Region.
- **Catering Services:** In some instances, the DoD requires the host facility to provide catering services for the exercise participants and the support staff that accompanies the exercise or deployment. The CNMI has an excellent opportunity to provide the type of capability to the DoD and its allies. The services range from boxed lunches to complete meals prepared and served in a fixed facility.

Water Supply:

- **Potable Water:**² classified as water containing less than 500mg/l of total dissolved solids (tds) that has been treated to remove all pathogens and heavy metals to acceptable levels. The CNMI can provide fresh drinking water in support of field operations being conducted in the CNMI and Region.
- **Ice (potable standard same as water):** Ice is required in support of field training and contingency operations in the CNMI and Region.

Logistics Support for the Military

Distribution enablers for joint force operations are categorized as distribution facilities and infrastructure, distribution-related joint command and control and information (including TAV - Tactical Aerial Vehicle) systems, DoD and commercial transportation programs, modern procurement methods, and military standard logistic systems and procedures. These capabilities revolve around supply management capabilities that are applied to multiple types of supply. Like the private sector, the DoD requires the same types of services as the private sector along with some unique requirements that are unique to military operations. These unique requirements include: Ammunition, Courier Services, Weapons Systems Transport,

² www.epa.gov/safewater/contaminants/index.html



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Sensitive and Classified Information/Parts/Equipment. Training for these skills are readily available from colleges, universities and the federal government alike.

Liquids

The main liquid requirements are fuel and water. Distribution and storage of liquids requires containers designed for the particular material along with the appropriate trained movers. DoD is always looking for skilled contractors to manage storage and distribution, providing an excellent opportunity for the CNMI.

- **Fuel:** Bulk petroleum storage and distribution are a major requirement for the successful operations conducted by the DoD. The ability to provide accessible land and climatic conditions for this gives the CNMI a distinct competitive advantage over other alternatives.
- **Water:** Regardless of the climate, water is a primary requirement for the DoD when conducting operations. A reliable water source and distribution system is a critical point in the decision making process about where and when to conduct operations. The CNMI's sources of water and the ability to effectively receive, store, and distribute water to the DoD during operations is an excellent opportunity to highlight the competitive advantage that Mother Nature has provided.

Solids

Distribution of solid material provides much the same opportunity that the liquid commodities do. There are several different classes of solids as are outlined below. The special handling requirements for some of the items provide an excellent opportunity for the CNMI to identify future managers and to prepare them for supply chain management leadership positions in the support of the DoD. The skills are readily available in the education community.

- **Waste:** Waste services are an important piece of the stewardship requirements and standards adopted by the DoD. Providing solid and liquid waste services as well as hazardous material response capability is an excellent opportunity for the CNMI to utilize natural resources and human capital. A cogeneration plant that incinerates combustible waste would be an excellent application of good stewardship practices and would provide the CNMI with a good alternative for power generation.
- **Food:** requires special handling and, therefore, special skills. The opportunity to grow leaders in this industry is available and provides secondary benefits to the CNMI for its investment.



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- **Repair Parts:** are the life blood of operational units deployed or forward stationed. Prepositioned stocks are key enablers for the military supply chain management system. This is an excellent opportunity for the CNMI to provide critical operational support to the DoD and the region.

Storage

Storage opportunities for the CNMI range from open yard to dry storage in buildings. Some of the storage requirements may require climate control or security depending on the material being stored. The CNMI has several options here utilizing existing air and sea port yards in Saipan, Tinian, and Rota.

- **Open Storage:** Non sensitive weather resistant items, such as tires, some vehicles, etc... require only open storage facilities. The perimeter is still enclosed, but very little infrastructure is required for the storage. Generally, the infrastructure improvements are necessitated by the requirements of the material handling equipment used in the storage facilities.
- **Dry Storage:** Weather sensitive items require dry facilities that protect the integrity of the items being stored. Providing warehouse services is a low technology infrastructure requirement but provides exponential return on investment. Examples of this type of supply would be packaged food, clothing or gear, packaged petroleum products, etc.
- **Climate Controlled Storage:** Some of the items maintained in the DoD supply chain require climate controlled conditions. These items are normally perishable and have a high churn rate with a short shelf life.
- **Sensitive & Secure Storage:** These classes of supply stem from several different types of sensitivity and security. The classification could stem from the cost of the item. High cost items are typically stored in access controlled facilities for loss protection. The other source of the need for access controlled storage may be from the nature of the intended use of the item. Many of the parts that comprise the aircraft and ships being operated by the DoD are sensitive items and the design is classified. Thus, creating the need for secure storage.



3.3.2 Follow-up Projects List for Supply and Maintenance

The following projects have been identified earlier as potential for the CNMI to pursue based on current capabilities and natural resources available. The summary list is broken out into logistics support for contingency, training and operations, and maintenance along with infrastructure recommendations and the human capital resources that are generally required. Following the summary a Strengths, Weaknesses, Opportunity, and Threats (SWOT) analysis, see figure 1.2, was completed to help CNMI leaders and planners in creating solutions for the DoD.

Logistics Support: Contingency, Training, and Operations, and Maintenance

- 1) Fuel Storage and Distribution
 - a. Near: Fuel Farms for Training Facilities
 - b. Mid to Long: All others depending on level of operational support being conducted
- 2) Water Storage and Distribution
 - a. Near: Packaged Water and Ice Production and Distribution in support of DoD Guam
 - b. Mid: Supply to Region and Beyond
- 3) Waste Removal and Processing
 - a. All phases will be dependent upon level of support being conducted. Would recommend research be conducted to determine the amount of waste per capita to be handled in order to prepare resources and disposal facility
 - b. Mid-Long Term: Cogeneration energy plants that will utilize combustibles for electric power generation – such as an incinerator turning steam turbines in a closed system
- 4) Food Handling and Distribution
 - a. Near Term: Dry Storage for MRE and other packaged commodities
 - b. Mid-Long Term: Catering and meal prep facilities dependent upon the level of support required to meet DoD presence.
- 5) Storage Facilities
 - a. Near Term: Open, Dry Storage
 - b. Mid Term Phase: All Others

Subsistence for the Military

- 1) MRE's
- 2) Field Prepared Meals
- 3) Catering Services



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-
- 4) Potable Water
 - 5) Ice

Maintenance

- 1) Depot Level: Complex, specialized technical services such as engine replacement and repair.
- 2) Field Level: Emergency or low-tech services such as change oil or a tire in the field.
- 3) Electronic Maintenance: Specialized technical services such as electronics replacement and repair.

Infrastructure

- 1) Storage Facilities: All kinds
- 2) Port Capabilities – Aerial and Surface
 - a. Near Term – JLOTS
 - b. Mid-Long Term: All others
- 3) Storage and Supply Chain Management Facilities
- 4) Supply Chain Management Systems
- 5) Maintenance Facilities

Human Capital

“To support the deployment and sustainment of an armed force, DoD needs certain skills, including those necessary to define outsourcing strategies and measure results.”³

- 1) Supply Chain Management Skills
 - a. Logisticians
 - i. Military
 - ii. Commercial
 - b. Material Handlers
 - i. Port Operations
 - ii. Warehouse
- 2) Maintenance
 - a. Vehicle
 - b. Electronics
- 3) Construction Trades
 - a. Skilled
 - b. Non-Skilled
- 4) Construction Administration

³ Management Logistics 2007



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- a. Project Management
- b. Financial Management
- c. Labor Relations Management
- 5) Bonded Security
 - a. Weapon Carry Qualified
 - b. Customs and Immigration
- 6) Maintenance Specialists
 - a. Air Frame Mechanics
 - b. Ground Equipment Mechanics
 - c. Airfield Grounds Maintenance

SWOT Analysis Figure 1.2: Supply and Maintenance



SWAT Overview of Figure 1.2

The CNMI's best mid and long term opportunities lie in this realm. The critical input to success in this area is demonstrate the understanding of military logistics requirements and then to demonstrate the ability and willingness to support those activities on a long term basis. This area also offers the best tertiary benefits to the CNMI. The infrastructure required to support the DoD can also be utilized to fulfill private requirements as well. A military liaison with an in-depth understanding of DoD Joint Logistics is a critical asset here.



3.4 Military Quality of Life

Quality of Life (QOL) services is the softer side of support that the DoD offers its members. The fast paced, high stress life that many service members necessitates an opportunity to decompress in a semi-secure environment.

3.4.1 Opportunity Description for QoL

The Armed Forces Recreation Center (AFRC) along with other **Morale, Welfare and Recreation (MWR)** activities provide this much needed outlet. Each member service of the DoD provides some variation of this type of service and charges each of its base commanders and staff to ensure that these opportunities are provided to the Soldiers, Sailors, Airmen, Marines and their family members.

The CNMI can help to fill this need by providing services that take advantage of its natural resources while still preserving the culture and heritage. The calm waters and placid beaches set an amazing backdrop that can be utilized to provide the much needed Rest and Relaxation (R&R) opportunities that the DoD provides to its service members and their families.

The opportunities for the QoL services lie in all three phases of the plan for offering support. In the short term, offering travel opportunities to the service members for holiday weekends and extended stays requires little capital investment and offers the opportunity for viral (word of mouth) marketing. This type of positive reviews from travelers that have visited the CNMI costs nothing and provides invaluable opportunities for growth and expansion.

3.4.2 Follow-Up Projects List for QoL

The following projects have been identified earlier as potential for the CNMI to pursue based on current capabilities and natural resources available. The summary list is broken out into an AFRC along with infrastructure recommendations and the human capital resources that are generally required for MWR activities. Following the summary a Strengths, Weaknesses, Opportunity, and Threats (SWOT) analysis, see figure 1.3, was completed to help CNMI leaders and planners in creating solutions for the DoD.

Armed Forces Recreation Center (AFRC)

- 1) Short Term:
 - a. Utilize existing infrastructure to provide R&R Services to the Military
 - b. Identify, procure and provide alternative transportation services to lower costs for Service Members, Families and DoD civilians



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2) Mid – Long Term

a. Infrastructure

- i. Hotels and Building Structures
- ii. Roads
- iii. Water and Sewage
- iv. Power

b. Operations and Maintenance

- i. Bonded Security
- ii. Food and Beverage Services
- iii. Hospitality Services
- iv. Tourism Services
- v. Transportation Services
- vi. Recreation Services
- vii. Promotion and Utilization of CNMI's Natural Resources (Advantages): Location and Weather, Rare plants, Birds and other animals, Island Terrain: Example Wedding Cake Mountain on Rota, Beaches, Reefs, Golfing, Fishing, Diving, Boating, People and Festivals, Local Fresh Foods, Retirement and living communities

Human Capital

Human Capital requirements for managing and constructing AFRC and MWR facilities include:

1) Hospitality and Tourism Management

a. Resort Operations

- i. Travel Planning
- ii. Reservations
- iii. Guest Services
- iv. Maintenance

b. Financial Management

- i. Economic Forecasting
- ii. Accounting
 1. Military
 2. Public

2) Construction

a. Construction Trades

- i. Skilled
- ii. Non-Skilled

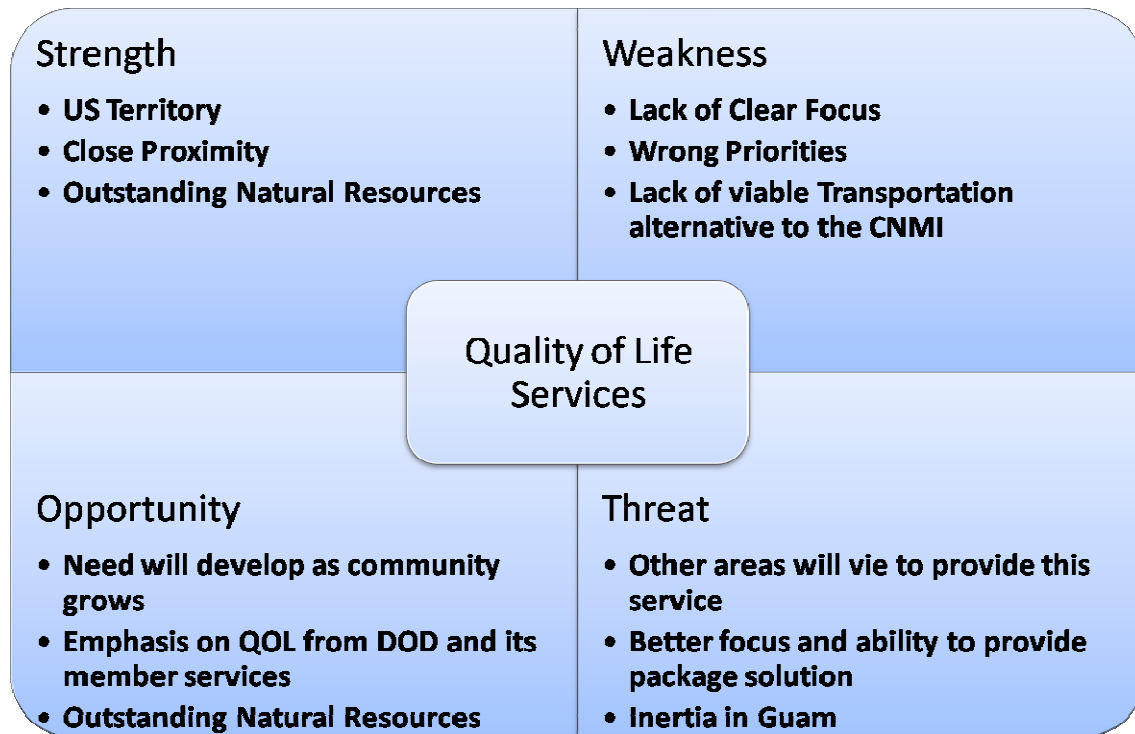


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- b. Construction Administration
 - i. Project Management
 - ii. Financial Management
 - iii. Labor Relations Management
- c. Bonded Security: Weapon Carry Qualified

SWOT Analysis Figure 1.3: Military Quality of Life



SWOT Overview of Figure 1.3

This opportunity provides the CNMI with the smallest learning curve when evaluated against workforce capabilities. Having said that, the CNMI's and service provider's focus, *for this segment of the market*, it is recommended to create a balance from the Asian to American tastes and ideas of Rest and Relaxation to accommodate visiting U.S. military and family. The basic principles are the same, but the definitions of R&R will need to be well defined and chronicled. The good news is that there is plenty of resources from which to draw lessons learned – Korea, Hawaii, Germany, and Orlando. The CNMI can draw on local knowledge and expertise to facilitate the growth and development of this industry.



3.5 General Requirements and Strategy

This section provides a recommended strategy for CNMI's resources such as Human Capital and Infrastructure to help facilitate positioning and re-investment in CNMI for best chance at sustaining involvement with the DoD and Federal government.

3.5.1 Human Capital for Military Support

Workers and skills are a vital resource that the CNMI can provide in the short, mid, and long term.

*"In addition to infrastructure needs, up to 15,000 workers will be needed to complete the planned construction by 2014. The qualified, available workforce on Guam is limited. Training programs are needed to prepare interested workers for upcoming employment opportunities. The prevailing wage rate on the island is not expected to attract significant numbers of workers from the continental U.S. or Hawaii. Therefore, a sizable number of workers will need to come from neighboring foreign countries. These workers will require H2B visas, making the recent Senate-approved legislation to remove the current annual H2B visa cap for workers coming to Guam and the Mariana Islands critical to the program's success."*⁴

A critical input into the success of the efforts of the CNMI is the proper development of its most precious natural resource – its people. Like any good capital plan, investment is required in order to reap long term returns on the investment. These capital plans have to be analyzed and designed to yield the desired results on the proper time frame to meet the needs of the owner. Human Capital plans meet these criteria. The CNMI and its people have an excellent opportunity to develop and execute a resourcing plan to meet the future needs of the CNMI and the DoD.

The CNMI's professional development plan to support the DoD must have a **phased focus** (see figure 1.4) so that the returns on investment can be realized in the short term but also be sustainable over generations to come. The short term returns can then be used to justify and finance the future investments in the development of future leaders. Ideally, **a three phased approach – near term, midterm, and long term** – offers the most proven opportunities for desirable results.

Near Term:

The near term **focuses on the 0-5 year horizon**. In this time period, professional development of the CNMI's people, especially in technical applications, may be too difficult to achieve. The recommendation would be to identify the skills needed and look to source the capabilities from outside the CNMI. Having said that, it is further

⁴ *CEDS 2009 document, General Bies quote*



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recommended that resources from within the CNMI pursue pseudo-mentor/protégé programs much like the Small Business Administration utilizes to assist new businesses in gaining experience and capabilities. The projects opportunities that are envisioned to be performed in this time period would include surveys for suitable locations for infrastructure placement, feasibility studies conducted by the Corps of Engineers, etc... in general the precursors to the infrastructure development projects to support the DoD.

Mid Term:

The next time period **focuses on the 3-10 year horizon**. During this time period the CNMI can focus on identifying and training the future leaders of the workforce and the communities. There still may be some need to acquire the requisite skills needed from outside sources, but the CNMI has more flexibility in its sourcing selections. In this instance, the CNMI has the opportunity to designate high school seniors that have an interest and the capability to attend universities to attain technical degrees such as engineering, medical and other advanced skill sets. Then the CNMI, through the assistance of the Federal Government, could support the development of the young professionals. Once the education is completed, the recipient returns to the CNMI for a specified period of time to fulfill his obligation to the government. This is a common practice within the Federal Government and could be easily mimicked by the CNMI. In fact, one of the members of the company creating this document followed a program like this to receive his advanced degree. The projects that occur in this phase are the military construction projects, road and street improvements and construction, infrastructure development that requires significant planning and resourcing. A military construction project that requires separate appropriations could take up to five years to be resourced and another 2-3 years to be completed. These capital investment projects fit in this time phase nicely.

Long Term:

The next **time period focus is the 10+ year**. Here, the CNMI has the most flexibility in identifying and preparing for the use of organic resources. The people that occupy this section of the Human Capital plan are still in middle school. The skills needed here are similar to the ones listed above but also include a focus on operations and maintenance of the infrastructure. In this phase, an emphasis on planning and execution of strategic goals can be focused upon. Resources form within the CNMI can be trained, educated and called upon to develop and execute a comprehensive strategic plan that helps to ensure the positive future of the CNMI, its people, and its heritage. Projects in this phase include follow up projects for infrastructure development, community planning, and governance – government and corporate.



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These are the advanced skills required to successfully operate and sustain a healthy, vibrant culture while advancing in complexity and maturity.

Figure 1.4: Phased Focus to develop CNMI human resources.



3.5.2 Infrastructure

Building the correct infrastructure to meet DoD requirements must begin by determining what projects the CNMI wants to pursue. This process must be in partnership with DoD and the people of the CNMI with their military liaison representative.

“The quantity and quality of these facilities and infrastructure, particularly OCONUS, may not always be adequate.”⁵

Buildings/Structures: The infrastructure required to supply operational and logistics support to the DoD is complex and vast. The good news is that it also adds money and critical skills to the economy. The types of buildings, in general, are not unlike any city and or community around the world. There are warehouses, retail space, office buildings, residential communities and the like. The natural resources, undeveloped land, and geographic location of the CNMI provide a significant competitive advantage that can be championed and marketed to the DoD and its allies.

Roads: Access to the sites and the facilities is a critical piece of the infrastructure. Additionally, to paraphrase the Texas A&M Center for Transportation⁶, ‘Money spent

⁵ p.V1, Defense Acquisition University Joint Publication 04-9

⁶ Texas Transportation Institute, Texas A&M University, <http://tti.tamu.edu/>



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on road and highway improvement provides more tertiary benefits than any other form of government spending.' Admittedly, the center may be somewhat biased with its research and analysis, but the logic behind their reasoning is sound. After the roads are completed and are being utilized for its intended purpose, then it is also open to create other types of commerce and trade. The positive effects are similar to the concentric rings that form when a stone is dropped into a pool of water. The stone causes a splash and one ring, but the remainder of the rings are created by inertia and requires no extra resources (stones in this case) to continue the momentum far away from the original source. Road construction provides that same kind of inertia and benefit. The DoD requires roads and streets that are capable of handling the increased workload that military vehicles place on them.

Utilities: Much in the same way that roads provide tertiary benefits, utilities provide the same type of exponential return. Utility construction, operations and maintenance require special skill sets that enhance the marketability and capabilities of the workforce of the CNMI. Additionally, increased utility capability and reliability attract more firms that want to do business in the region. The CNMI has many opportunities to provide upgraded infrastructure to the DoD, its allies, and the community as a whole. The reliable utilities availability is a critical requirement to the DoD during exercise and contingency operations.

Airports: Aerial port operations are a critical part of the DoD's mission in Guam. The CNMI has an excellent opportunity to provide logistical and operational support to it by providing alternate field and port services. The geographic location, the moderate weather, and the physical limitations that are experienced on any island, Guam in this case, enable the CNMI to market its resources in manner that complements the capabilities that are currently being offered by Guam to the DoD. The requirements for military air facilities are different from those in a commercial environment. The heavy payloads that are often carried by the military air frames requires heavier runway capabilities, longer taxi way and run out capabilities among other unique requirements. Additionally, the command and control (C2) infrastructure is important for the military. These include vehicle staging areas around the flight line, troop staging areas, etc... The increased ground crew and maintenance requirements provide additional opportunities to develop and market the workforce to the DoD community.

Sea Ports: These surface ports provide training and contingency support opportunities for the CNMI and the DoD. Many of the DoD's operations are typical to any commercial port requiring stevedore and material handling capabilities that can



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move self propelled vehicles, containerized and break bulk cargo handling capabilities. However, there are many ancillary tasks that are needed to support the functions. The maintenance and storage facilities, discussed before, are needed along the port complex. The ports provide the DoD the opportunity to perform Surface Port of Embarkation exercises and contingency support.

Additionally, the port's throughput capacity and navigability offer the opportunity for the surface fleet to utilize the CNMI for depot level repairs and maintenance. Currently, most refit and refurbishment is conducted in the CONUS but since the CNMI is a US Territory, the opportunity to put a shipyard here to alleviate the stress on the CONUS port complexes. To build an affiliation with the primary providers of ship refit services is an excellent opportunity for the CNMI to take advantage of its available resources.

Information Technology and Communication: Command, Control Communication, Computers, Intelligence, Surveillance, Reconnaissance (C4ISR) or the information grid. The DoD's multiple missions and ongoing contingencies to provide all the support that has been outlined here requires the efficient and effective flow of communication.

The C4ISR network utilizes all forms of commercial communication technologies. The CNMI can help to provide those services by offering infrastructure, skilled communication technicians, and operators. These opportunities will be present in the earliest phases of development and will continue throughout the project life cycle.

In the short term, the ideal action plan would be to source the critical capabilities from outside the CNMI to ensure that the proper plans and programs are in place to provide the skills needed to the DoD. The midterm then offers the flexibility to train and develop CNMI resources to assume responsibility and ultimately accountability for the information grid and architecture. The long term then offers the opportunity to provide full spectrum capabilities to the DoD and its allies for generations to come. The CNMI will reap the rewards for this investment for many years.



3.6 In Closing: CNMI Opportunities with the DoD

The functional areas that have been discussed previously provide the best opportunity for the CNMI to support the DoD-Guam buildup and optimize the use of its natural resources to provide an economic advantage to its people.

The three primary areas that have been discussed, 1) Operational Support, 2) Supply and Maintenance, and 3) Quality of Life Services, focus on the DoD's primary mission hierarchy. The Operational aspect of mission readiness, internal to the military, takes priority over Supply and Maintenance and Quality of Life Services. By aligning itself with the DoD's priorities, the CNMI can provide timely, workable solutions to the primary roadblocks the DoD faces, especially in forward stationed areas such as the Marianas region. The DoD requires significant space for maneuvers, training, living, commerce, and recreation. The CNMI's abundance of undeveloped space provides a blank canvas on which the partnership can be designed to maximize value for the CNMI and the DoD in kind. The CNMI has a unique opportunity to provide solutions to the DoD, ensuring the CNMI gets the best value to build its economy and voice in protecting cultural values and way of life. This document recommends that the CNMI utilize a Military Liaison to help speak both the Military language and be the voice for the CNMI people. The Military Liaison must have the capability to help the CNMI prioritize its projects and how to phase them, while being able to establish the necessary relationships within the DoD for successful funding and build of each project.

Furthermore, the phased approach to providing operational support and follow-on services outlined in this document highlights the DoD's primary objective and the CNMI's primary capabilities. This phasing allows the CNMI to focus its constrained resources on the highest priority need for the DoD and enhances the opportunity for a successful proposal. This approach also gives the DoD and the Federal Government an easily defensible reason to make capital investments in the CNMI. The DoD will not have to spend a lot of energy defending such a hand-in-glove fit for the investment. Again, this is a very important element for the senior leaders and decision makers in the DoD, DoS and U.S. Congress.

Lastly, an approach that develops the workforce in a manner that enables the CNMI to grow its precious and scarce resource – its people - ensures that the capital investments that are made in the CNMI will provide exponential returns on investment for generations to come. These returns will be realized through better



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infrastructure, better education systems and better incentives to stay here in the CNMI.



4.0 Appendix

4.1 Understanding Government (DoD) Contracting for Local Businesses

The DoD requires a number of services and products to sustain and improve capability for mission readiness. One of the Follow-On projects recommended by PMO, LLC, is for the CNMI to prepare the local business community to become some of the best government contractors in the region. Therefore understanding the DoD (the customer) and how they do business will be invaluable for CNMI businesses during that preparation.

This section will cover the following:

- Understanding the DoD Budget, Drivers, Measurements, and Trends
- The DoD Budget Schedule
- DoD Market Competitive Analysis
- How to do Business with the DoD
- Example Contracting Opportunities
- Other Opportunities
- Overall SWOT Analysis for doing business with the DoD and Government

4.1.1 Understanding the DoD Budget, Drivers, Measurement, and Trends

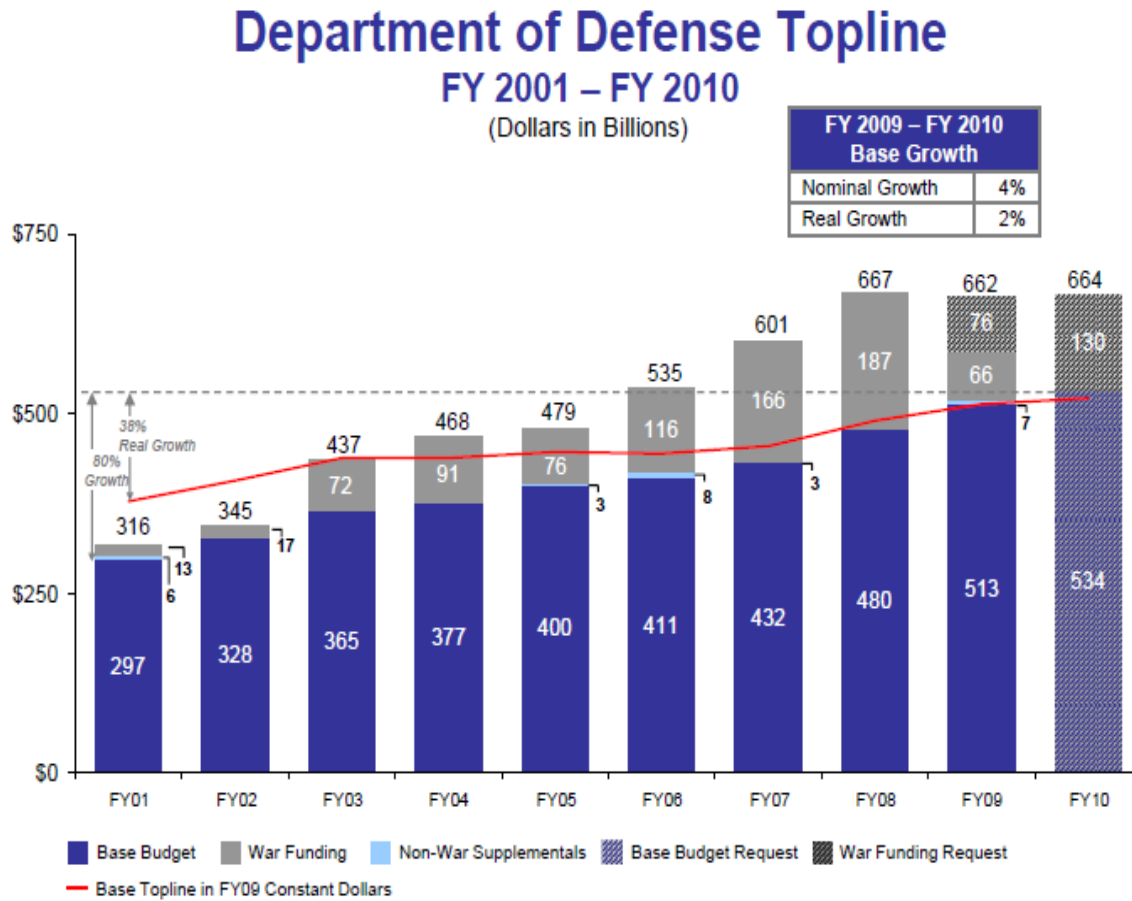
As many know the DoD attempts to balance the competing interests of the military services, DoD joint agencies, executive branch officials, and congressional oversight committees. Budget amounts seem to change little from year-to-year. Any unexpected budget contingencies are mostly handled through supplemental funding bills handed to Congress for approval. Generally when programs are not progressing as planned, money is shifted from low priority to more immediate needs where warranted.

The DoD's budget is predicted to trend upward as seen in figure 2.1 (base budget figures in dark blue), meaning there will be plenty of opportunity for the CNMI business community to either gain contracts directly as a prime contractor or through partnering with a prime contractor. The alternative of working closely on large projects with a non-CNMI Prime Contractor will allow local CNMI business to gain



important knowledge and skills that they don't have while earning revenues for work performed jointly.

Figure 2.1 DoD Historical Budgets⁷



Note: FY 2009 Non-War Supplemental is appropriated through American Recovery and Reinvestment Act of 2009
 Source: Defense Appropriation Acts FY 2001 – FY 2009, National Defense Budget Estimates for FY 2009, OMB Historical Tables FY 2009

DoD Market Measurement and Trend Analysis

Based on the previous figure 2.1 Historical Budget Analysis of the DoD a trend analysis and PMO, LLC's subject matter experts advice, a trend market analysis can be discussed as follows in figure 2.2.

⁷ Defense Appropriation Acts FY 2001 – FY 2009, National Defense Budget Estimates for FY 2009, OMB Historical Tables FY 2009



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Figure 2.2, PMO, LLC DoD Market Trend Analysis

DoD Market Trend Analysis		
Measurement Name	Measurement	Trend
Market Age	Mature	Increasing
Funding for FY09 compared to FY08	\$513 Billion USD	Increasing
Growth Rate FY09 to FY10	2%	Increasing
Degree of Competition	High	Increasing
Degree of Technical Change	High	Increasing

DoD Spending by Area and Service

The importance of understanding where the DoD spends their money allows CNMI business leaders to focus resources in the appropriate place. The most significant functional areas the DoD spent the most money in 2009 were in Operations and Maintenance (supply and support) followed by Procurement, then Research, Development, Testing, and Evaluation (RDT&E), and then Military Construction and Family housing, see figure 2.3.

Figure 2.3 DoD 2009 Budget Outlays by Functional Area ⁸

DoD 2009 Budget Outlays	
Functional Area	\$ Millions USD
Operations and Maintenance	212,733
Procurement	112,897
RDT&E	76,352
Military Construction	14,113
Family Housing	3,354

Operations and Maintenance (O&M) value supports the main premise of this document, that the CNMI should focus on O&M first before Supply and Maintenance and QoL, due to the fact that O&M has the highest spend priority for mission readiness. For specific service spend, the DoD focuses mostly on the Army which has the largest allocation funds by any service, while Joint Service activities were the smallest in 2009, see figure 2.4.

⁸ http://www.defenselink.mil/comptroller/defbudget/fy2009/budget_justification



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Figure 2.4 DoD 2009 Budget Outlays Service Arm⁹

DoD 2009 Budget Outlays	
U.S. Military Department	\$ Millions USD
Army	167,878
Navy	150,977
Air Force	142,996
Joint (Defense Wide)	90,055

NOTE: Navy includes Marines budget in figure 2.4

DoD Market Spending Drivers

Understanding the DoD market drivers help businesses predict where the DoD will spend its money over the next few years. PMO, LLC's subject matter experts predict major market drivers from 2010 to 2016 DoD will be as seen in figure 2.5.

Figure 2.5 Predicted Market Drivers

Market Drivers	FY10 to FY12	FY13 to FY14	FY15 to FY16
1. Chances of Replenishing of Marine Corps Equipment	High	High	High
2. Combat Operations in Iraq / Afghanistan	High	High	Medium
3. Chances of Expansion of Army and Marine Corps	Medium	Medium	Low

Competitive Analysis

Competitive analysis of DoD contracts consists of lead systems integrators, their sub contractors and independents. Firms range in size from very large multi-nationals to sole proprietorships. Subcontractors include large firms, medium sized technology companies and small service or material goods providers. While many of these firms are well established and already have contracts, the CNMI businesses still can compete even though it may seem that there is little to no advantage at this time. CNMI small businesses can gain a competitive edge in a highly competitive market of DoD contracts by taking advantage of HUB Zone (Highly Underutilized Business Zone) and 8a (disadvantaged minority status) designations through registering their

⁹ http://www.defenselink.mil/comptroller/defbudget/fy2009/budget_justification

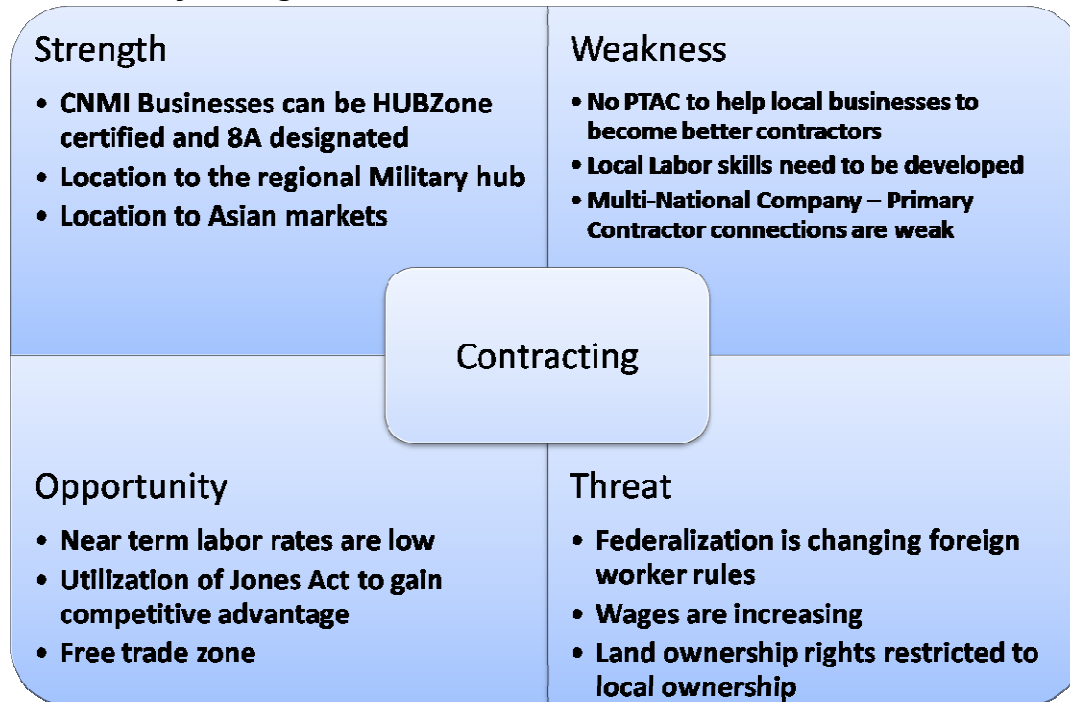


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business with the Small Business Administration (SBA), see “**How to Do Business with the DoD**” section. These special designations that are offered allow CNMI businesses to participate in federally mandated contract set asides for businesses that are labeled small and disadvantaged, allowing the field of competition to be leveled. See figure 2.6 for a SWOT analysis for local CNMI businesses with the Federal Government, namely the DoD.

SWOT Analysis Figure 2.6





4.2 How to do Business with the DoD

DoD Marketing Basics¹⁰



MARKETING TO THE DEPARTMENT OF DEFENSE: THE BASICS

REV June 2007

ARE YOU READY TO MARKET TO THE GOVERNMENT?

IDENTIFY YOUR PRODUCT/SERVICE

FEDERAL SUPPLY CLASSIFICATION CODE (FSC) OR
PRODUCT SERVICE CODE (PSC):

EX: D302 ADP systems development services

<http://www.dlis.dla.mil/h2> or <http://www.fedbizopps.gov>

IDENTIFY YOUR NORTH AMERICAN INDUSTRY CLASSIFICATION CODES

EX: 541512 Computer Systems Design Services

<http://www.census.gov/epcd/www/naics.html> or website below

DETERMINE SBA SIZE STANDARD

EX: 541512 \$23M average annual receipts preceding 3 yrs

NOTE: There is a separate size standard for each NAICS.

<http://www.sba.gov/services/contractingopportunities/sizestandardstocps/index.html>

SBA DYNAMIC SMALL BUSINESS SEARCH

SBA's PRO-Net & CCR merged in December 2002. When registering in CCR, select "small business" & a sub-set of your CCR data will be sent to SBA for size validation & inclusion in DSBS.

- *Update profile every 18 months*
- Complete a *QUALITY* profile
- Government uses DSBS to: (1) perform market research to locate 8(a)/HUBZone/SDVOSB/small business primes, (2) verify small business reps & certs for primes, proposed subcontractors, & prime subcontracting program compliance reviews
- Industry uses DSBS to: (1) locate subcontractors/teaming partners, (2) verify small business subcontractor reps & certs

<http://www.ccr.gov> & put cursor on "Search" or "Small Business"

"The survival of small business is essential to our homeland defense."
President George W. Bush

LOCATING DoD CUSTOMERS/OPPORTUNITIES: Report issued each fiscal year of products & services purchased by DoD sorted by Procurement Classification Code including name & location of buying office, number of actions & dollars:
http://siadapp.dmdc.osd.mil/procurement/historical_reports/statistics/procstat.html scroll down to "ST28"

(Prepared by the Office of Small Business Programs for Department of Defense)

Latest edition posted at: http://www.aca.osd.mil/osbp/doing_business/index.htm

¹⁰ www.acq.osd.mil/osbp/doing_business/index.htm



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MARKETING TO THE DEPARTMENT OF DEFENSE: THE BASICS

REV June 2007

IN PERSON: THE PITCH

- Have *three* marketing “presentations” ready at all times:
 - “Elevator speech”
 - One page capability sheet
 - Full capability presentation
- Know your audience
- Be focused & be brief
- Stand out from the crowd!
- How can the customer benefit from doing business with you?
- What problems/challenges do you solve for your customer?
- One page capability sheet
 - Few graphics
 - Company name, website, contact info, locations, small business categories, CAGE Code
 - Certifications
 - NAICS & capabilities
 - DoD/Federal/State & local contracts with POC info
 - Significant subcontracts with POC info
 - GSA Contracts (if any)

EMAIL MARKETING

- Send to the right customer! Frequency?
- Marketing pitch, virus, or SPAM? Include subject line & content in body of email, not just an attachment
- Be brief - use your one page capability sheet
- Limit graphics – oversized attachments may be stripped
- Stand out from the crowd!
- How can the customer benefit from doing business with you?
- What problems do you solve for your customer?
- The following attachments may **not** be received by DoD recipients due to firewalls: .avi, .bat, .cmd, .com, .dll, .eml, .exe, .pif, .scr, .shs, .vbs, .vbe, and .zip

USE AVAILABLE RESOURCES

- SMALL BUSINESS ADMINISTRATION (SBA)
 - Counseling – in person, email
 - Small business certifications
 - Financial Assistance
 - Training (online, classroom, free or low cost)

<http://www.sba.gov>
- SMALL BUSINESS DEVELOPMENT CENTERS
 - Counseling
 - Small business management assistance
 - Training (classroom, free or low cost)

<http://www.sba.gov/sbdc>
- PRO <http://www.sba.gov/sbdc> L ASSISTANCE CENTERS (PTACS)
 - Counseling – in person, email
 - Registration assistance
 - Bid-matching
 - Training (online, classroom, free or low cost)

<http://www.dla.mil/db/procurem.htm>
- SERVICE CORPS OF RETIRED EXECUTIVES
 - Counseling – in person, email, field visit
 - Training (classroom, free or low cost)

<http://www.score.org>
- SMALL BUSINESS PROGRAM OFFICES
 - Located at every DoD & Federal buying activity
 - All DoD: <http://www.acq.osd.mil/osbp/> & click on “Links” or “Doing Business with DoD” & “DoD Small Business Specialists”
- SMALL BUSINESS LIAISON OFFICERS (SBLO)
 - DoD Major Prime Contractors Directory with SBLOs at <http://www.acq.osd.mil/osbp/> & click on “Doing Business with DoD”



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MARKETING TO THE DEPARTMENT OF DEFENSE: THE BASICS

REV June 2007

FEDBIZOPPS

DoD & Federal contracting activities synopses *most* proposed requirements & contract awards >\$25,000 in FEDBIZOPPS.

- Active or *archive* search by dates and/or:
 - o Type of Notice
 - o Solicitation number or contract number
 - o Place of performance zip code
 - o Set-aside type
 - o FSC/PSC/NAICS
 - o Key words
 - o Selected agencies
- Register for Vendor Notification Service by:
 - o Specific solicitation number
 - o Same selections as above
 - o *All* procurement notices (*caution*)

<http://www.fedbizopps.gov>

NETWORK! NETWORK! NETWORK!

Learn to recognize a good marketing & networking opportunity when you see it!

KNOW YOUR COMPETITORS

- Who are they?
- What are their strengths? Weaknesses?
- Review their brochures, websites, DSBS Profiles.

TARGET THE RIGHT CUSTOMER

- Develop a Business Plan and Marketing Plan.
- Who are your potential customers? Which agencies/activities?
- What are their needs? Challenges? Review websites!
- Know your limits!
- Know your customers regulations/procedures
 - o Acquisition Central
Federal Acquisition Regulations (FAR)
& Agency Supplemental Regulations
<http://www.acquisition.gov>
 - o Defense Federal Acquisition Regulation Supplement
<http://www.acq.osd.mil/dpap/>
 - o Business Gateway Initiative (>25 agencies, 94 websites)
<http://www.Business.gov>
 - o SBA Small Business Training Network (free courses)
<http://www.sba.gov/services/training/index.html>

ONLINE REPS & CERTS APPLICATION (ORCA)

Effective 1/1/2005, FAR 4.12 mandated prospective contractors to complete electronic annual representations & certifications via ORCA when registering in CCR.

- Must have an active record in CCR to register
- Need Marking Partner ID (MPIN) from CCR
- Update minimum every 365 days

<http://www.bpn.gov> OR <https://orca.bpn.gov>

WIDE AREA WORKFLOW-RECEIPT & ACCEPTANCE (WAWF-RA)

WAWF is a secure web-based system for electronically processing invoices, receipts, & acceptance documents being deployed DoD-wide. As of 7/1/2005, DFAS will no longer accept or pay paper invoices. <https://wawf.eb.mil>

Web-based training for vendors is available with an overview of the WAWF system: <http://www.wawftraining.com>

DATA UNIVERSAL NUMBERING SYSTEM (DUNS)

- Mandatory before registering in CCR
- Provided by Dun & Bradstreet (D&B); free
- Web request & receive within 1 day; telephone request takes approximately 10 minutes
- Unique 9-character identification number for each location/address & each legal division
- List sold to other companies; must contact D&B to request removal from marketing list

<http://fedgov.dnb.com/webform/displayHomePage.do>
OR (866) 705-5711

CENTRAL CONTRACTOR REGISTRATION (CCR) (linked to DSBS)

- Mandatory to receive DoD prime contract
- Allows electronic payment
- *Must renew annually or expires*
- Automatically assigns a Commercial and Government Entity (CAGE) Code
- Automatically assigns a Marketing Partner ID (MPIN) to access other government applications (EX: Past Performance Information Retrieval System, etc.)

<http://www.ccr.gov>



4.3 DoD Budget Schedule

Understanding the DoD budget can help the CNMI know when to ask for funding for specific projects. The DoD Budget Calendar¹¹ is as follows:

November

- National Security Council (NSC) prepares the National Security Strategy (NSS)
- Joint Chiefs of Staff (JCS) use the NSS to develop the National Military Strategy (NMS)
- JCS sends the Joint Planning Document (JPD) to the Office of the Secretary of Defense (OSD)
- OSD uses the NMS and JPD to develop the Quadrennial Defense Review (QDR)
- OSD issues Strategic Planning Guidance (SPG)

December-January

- OSD/JCS jointly conduct Major Budget Issues (MBI) review

January

- OSD submits the budget to the OMB in January

January-December

- OSD and military services purchase goods and services
- OSD monitors/reports financial activity and assesses performance against objectives. Defense agencies control obligations within allotted budget authority
- OSD reports to OMB on the status of expenditures (quarterly)
- Program funding is adjusted to meet emerging conditions

February-May

- President transmits President's Budget (PB) to Congress by first Monday in February. Transmittal of Budget concludes budgeting phase
- Congressional Budget Office (CBO) prepares analyses on PB
- OSD issues the QDR every four years. The next QDR is due in 2010
- OSD issues Comprehensive Fiscal Guidance
- Military departments and agencies develop initial programs and performance metrics to be incorporated in future Program Objective Memorandum (POM)
- OSD issues Restricted Fiscal Guidance Military departments and agencies address fact-of-life changes, tasking studies, congressional changes, and completed Program Decision Memorandum (PDM) studies

¹¹ <http://www.columbia.edu/cu/lweb/indiv/usgd/budget.html#calendar>



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May

- Combatant Commanders submit their Integrated Priority List (IPL)

June

- OSD issues Joint Programming Guidance (JPG) that concludes the planning phase

June-July

- Components use JPG to develop programs and solutions to be used in developing POM and Budget Estimate Submission (BES) in order to implement the next QDR
- Components use JPG to develop programs and solutions to develop POM and BES in order to refine alignment of strategy and programs
- Components prepare Program Change Proposals (PCP) and Budget Change Proposals (BCP) to implement limited changes to baseline programs
- Comprehensive reviews of all performance indicators are conducted throughout DoD and programs are adjusted as required

August

- Components submit POM and BES
- Components submit PCP and BCP
- Congress completes review of Budget

August-September

- OSD/JCS conduct concurrent review of POM and BES
- OSD/JCS conduct concurrent review of PCP and BCP

September

- OSD documents results of POM and PCP review and issues Program Decision Memorandum (PDM). Each service receives a separate PDM. The issue of PDM concludes the programming phase
- OSD drafts initial Program Budget Decision (PBD)
- Congress completes action on all spending and revenue bills and sends Budget to President for signature or veto by September 15
- OSD, through services, completes Year-End Close-out

October-December

- Fiscal Year Begins October 1
- Treasury issues warrants

OSD conducts Budget Execution (BE) review



4.4 Example Government Contracts

The Following are a list of Contract Opportunities that can be pulled off of www.fedbizopps.gov once a company is registered with the Federal Government, see figures 3.1 to 3.14. Please note that these opportunities were available at the time of query and are most likely not available at this time. The purpose of these figures is to show what NAICS codes and values associated with some of the potential Operations and Supply & Maintenance contracts. Therefore, the following are listed for reference only.

Figure 3.1 General Construction

PSC		Total Number of Active Opportunities:	7896
Z-MAINTENANCE, REPAIR, OR ALTERATION OF REAL PROPERTY		Total Estimated Value:	
Y-CONSTRUCTION OF STRUCTURES AND FACILITIES		>\$100B Value	
Opp Title	Department / Agency	NAIC	Value
IDIQ Design-Build Construction Services	HHS - Department of Health and Human Services HHS - Department of Health and Human Services	236220-Commercial and Institutional Building Construction	\$25,000,000
Chiller Installation/Associated Pumps/Controls in Building 550 and 560 at Ft. Detrick, Frederick	HHS - Department of Health and Human Services HHS - Department of Health and Human Services	-	\$1,063,650
RECOVERY--Y--Repair Railroad, Fort Drum, NY	DOD - Department of Defense ARMY - Department of the Army	237990-Other Heavy and Civil Engineering Construction	\$1,279,243
RECOVERY--Z--Recovery - Armory Roof Repair, Project Number 882.	DOD - Department of Defense ARMY - Department of the Army	238160-Roofing Contractors	\$1,698,701
Replace Fuel Upload Facility and Fuel Storage Tanks and Repair Liquid Fuel Pump Station/Pipelines, Kirtland Air Force Base, Bernalillo County, New Mexico	DOD - Department of Defense ARMY - Department of the Army	237120-Oil and Gas Pipeline and Related Structures Construction	\$10,315,650
RECOVERY--Y--RECOVERY-- FY09 ARRA FSRM S.E. AREA UTILITIES REPAIR PROJECT, CANNON AIR FORCE BASE, CURRY COUNTY, NEW MEXICO	DOD - Department of Defense ARMY - Department of the Army	237120-Oil and Gas Pipeline and Related Structures Construction	\$2,755,000
Z--Replace roofing on buildings at Fort McCoy,WI	DOD - Department of Defense ARMY - Department of the Army	238160-Roofing Contractors	\$26,442,900
Y--Three-Bay Fire Station, Hill AFB, Utah	DOD - Department of Defense ARMY - Department of the Army	236220-Commercial and Institutional Building Construction	\$3,229,089
RECOVERY--Z--Project Number 71458, Emsworth Back Channel Abutment Stabilization.	DOD - Department of Defense ARMY - Department of the Army	237310-Highway, Street, and Bridge Construction	\$3,334,738
Z--Performance Oriented Construction Activity (POCA), Indefinite Quantity (IDIQ) Contract for Construction primarily within the Sacramento Districts Civil and Military Works Boundaries, but to include all of the South Pacific Division	DOD - Department of Defense ARMY - Department of the Army	236220-Commercial and Institutional Building Construction	\$3,500,000
Z--Performance Oriented Construction Activity (POCA), Indefinite Quantity (IDIQ) Contract for Construction primarily within the Sacramento Districts Civil and Military Works Boundaries, but to include all of the South Pacific Division	DOD - Department of Defense ARMY - Department of the Army	236220-Commercial and Institutional Building Construction	\$3,500,000



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Figure 3.2 Professional Services

PSC		Total Number of Active Opportunities:	1285
S-UTILITIES AND TRAINING		Total Estimated Value:	\$427.8M
Opp Title	Department / Agency	NAIC	Value
S -- Utility Privatization of Electric Distribution System at Wright-Patterson Air Force Base, Ohio	DOD - Department of Defense DLA - Defense Logistics Agency	221122-Electric Power Distribution	\$175,536,992
Security Guard Services	DHS - Department of Homeland Security DHS - Department of Homeland Security	561612-Security Guards and Patrol Services	\$34,720,714
Victory Base Internal Security Services	DOD - Department of Defense AF - Department of the Air Force	561612-Security Guards and Patrol Services	\$27,346,308
FULL FOOD SERVICES AT USCG TRAINING CENTER CAPE MAY, NJ	DHS - Department of Homeland Security DHS - Department of Homeland Security	722310-Food Service Contractors	\$25,000,000
S-Hospital Housekeeping Services at Walter Reed Army Medical Center (WRAMC) in Washington, DC.	DOD - Department of Defense ARMY - Department of the Army	561720-Janitorial Services	\$22,892,189
Recovery-PROJECT NUMBER XQPZ094010, Replace Electrical Supply with Solar Array	DOD - Department of Defense AF - Department of the Air Force	221119-Other Electric Power Generation	\$18,300,000
Local Guard Services - Vienna, Austria	STATE - Department of State U.S. Department of State	561612-Security Guards and Patrol Services	\$15,420,218
S-Strategic Planning, Comprehensive Space Analysis and Design, and Program Management Services	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	541611-Administrative Management and General Management Consulting Services	\$11,301,372
S206 Aviation and Transportation Security Screening Services	DHS - Department of Homeland Security DHS - Department of Homeland Security	561612-Security Guards and Patrol Services	\$11,297,820
Security Guard Services for Rocky Mountain Labs	HHS - Department of Health and Human Services HHS - Department of Health and Human Services	561612-Security Guards and Patrol Services	\$10,041,128
S-Facilities Operations Support Services	DOD - Department of Defense ARMY - Department of the Army	561210-Facilities Support Services	\$7,473,500

Figure 3.3 Social Services:

PSC		Total Number of Active Opportunities:	296
G-SOCIAL SERVICES		Total Estimated Value:	\$37.6M
Opp Title	Department / Agency	NAIC	Value
SEC Supplemental Health Benefits Program	SEC - Securities and Exchange Commission SEC - Securities and Exchange Commission	524210-Insurance Agencies and Brokerages	\$14,133,435.28
Care Coalition Recovery Program (Formally entitled Warrior Wellness Program)	DOD - Department of Defense ODA - Other Defense Agencies	624310-Vocational Rehabilitation Services	\$11,985,988
Unarmed Security Guard Services for the Armed Forces Retirement Home (AFRH), Washington, DC (current contract procured by BPD)	TREAS - Department of the Treasury TREAS - Department of the Treasury	561612-Security Guards and Patrol Services	\$1,600
Youngstown, Ohio- Outpatient Drug & Alcohol Abuse and Mental Health Treatment Services	DOJ - Department of Justice DOJ - Department of Justice	621420-Outpatient Mental Health and Substance Abuse Centers	\$582,058.00
Harrisburg, PA - Outpatient Transitional Drug Abuse and Mental Health Treatment Services	DOJ - Department of Justice DOJ - Department of Justice	621420-Outpatient Mental Health and Substance Abuse Centers	\$109,657.85
Community-Based Outpatient Substance Abuse Treatment Services - Raleigh, NC	DOJ - Department of Justice DOJ - Department of Justice	621420-Outpatient Mental Health and Substance Abuse Centers	\$112,550.00
G -- RFP 200-1022-NC Residential Reentry Center (RRC) Services in the Green Bay, Wisconsin Metropolitan Area (including the counties of Brown, Outagamie, & Kewaunee)	DOJ - Department of Justice DOJ - Department of Justice	623990-Other Residential Care Facilities	\$135,590.20
TDAT Services in Portland, Maine	DOJ - Department of Justice DOJ - Department of Justice	621420-Outpatient Mental Health and Substance Abuse Centers	\$141,732.00
Drug abuse and mental health treatment services	DOJ - Department of Justice DOJ - Department of Justice	621420-Outpatient Mental Health and Substance Abuse Centers	\$152,120.00
G--Mortuary Services for Camp Lejeune, NC and Cherry Point, NC.	DOD - Department of Defense NAVY - Department of the Navy	812210-Funeral Homes and Funeral Services	\$166,775.00
G--Substance Abuse and Mental Health Services - Baltimore, MD	DOJ - Department of Justice DOJ - Department of Justice	621420-Outpatient Mental Health and Substance Abuse Centers	\$176,225.00



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Figure 3.4 Environmental Services

PSC		Total Number of Active Opportunities:	1178
F-NATURAL RESOURCES AND CONSERVATION		Total Estimated Value:	\$175.4M
Opp Title	Department / Agency	NAIC	Value
RECOVERY y Leaking Underground Storage Tank (LUST) Project y Oliver Hill Site Monitoring y Region 2	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	562910-Remediation Services	\$14,337,737.28
RECOVERY y Leaking Underground Storage Tank (LUST) Project y Bovey Oil Site Closure y Region 10	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	562910-Remediation Services	\$14,337,737.28
RECOVERY y Leaking Underground Storage Tank (LUST) Project y Ferdinand Gas Station Site Assessment and Closure y Region 10	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	562910-Remediation Services	\$14,337,737.28
DE-AT30-08CC60014 Mod 019 Services for Deactivation, Demolition, and Removal of the Separations Process Research Unit (SPRU) nuclear facilities	DOE - Department of Energy DOE - Department of Energy	562910-Remediation Services	\$13,000,000
RECOVERY ACTION: Services for Deactivation, Demolition, and Removal of the Separations Process Research Unit Nuclear Facilities	DOE - Department of Energy DOE - Department of Energy	-	\$13,000,000
Environmental Remediation Services for the US Army Corps of Engineers, Northwestern Division & existing customers.	DOD - Department of Defense ARMY - Department of the Army	562910-Remediation Services	\$9,000,000.00
RECOVERY y Targeted Brownfields Assessments (TBA) RFO #25 - Combined Phase II Environmental Assessment and Underground Storage Tank Removal and Closure Assessment	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	541620-Environmental Consulting Services	\$7,500,000
RECOVERY y Targeted Brownfields Assessments (TBA) RFO #29 - Milwaukee Roundhouse Facility - Passenger Refueling Area	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	541620-Environmental Consulting Services	\$7,500,000
RECOVERY y Targeted Brownfields Assessments (TBA) RFO #27 - Three Southern West Virginia Brownfields Assessments y Ansted, Mount Hope, and Webster Springs	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	541620-Environmental Consulting Services	\$7,500,000
RECOVERY-F--Modification for Soils Remediation Action at the Cornell Dubilier Electronics Superfund Site, OU-2 (Operable Unit), South Plainfield, Middlesex County, New Jersey.	DOD - Department of Defense ARMY - Department of the Army	541330-Engineering Services	\$6,000,000.00
F--Environmental Services	GSA - General Services Administration GSA - General Services Administration	541620-Environmental Consulting Services	\$5,475,000.00

Figure 3.5 Office Supplies

PSC		Total Number of Active Opportunities:	128
75-OFFICE SUPPLIES AND DEVICES		Total Estimated Value:	\$7.15M
Opp Title	Department / Agency	NAIC	Value
75--Services to Supply and Recycle Toner and Ink Jet Cartridges	DOD - Department of Defense NAVY - Department of the Navy	333315-Photographic and Photocopying Equipment Manufacturing	\$4,453,765
Optical Laser Cards	DOD - Department of Defense DLA - Defense Logistics Agency	326130-Laminated Plastics Plate, Sheet (except Packaging), and Shape Manufacturing	\$1,488,384
Passive RFID Labels and Printer Ribbons	DOD - Department of Defense DLA - Defense Logistics Agency	322222-Coated and Laminated Paper Manufacturing	\$522,547
75--Office Supplies	DOD - Department of Defense ARMY - Department of the Army	-	\$174,166
Customized Folders & Tab Dividers	STATE - Department of State U.S. Department of State	323121-Tradebinding and Related Work	\$134,583
OPTICAL MEMORY LASER CARDS	DOD - Department of Defense DLA - Defense Logistics Agency	326130-Laminated Plastics Plate, Sheet (except Packaging), and Shape Manufacturing	\$74,936
75--Shredder	DOD - Department of Defense ARMY - Department of the Army	-	\$51,863
75--Shredder	DOD - Department of Defense ARMY - Department of the Army	-	\$50,412
75--Copier Paper and Toner Cartridges	DOD - Department of Defense ARMY - Department of the Army	424120-Stationery and Office Supplies Merchant Wholesalers	\$47,252
TONER CARTRIDGES	HHS - Department of Health and Human Services HHS - Department of Health and Human Services	453210-Office Supplies and Stationery Stores	\$37,380



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Figure 3.6 Technical Services

PSC		Total Number of Active Opportunities:	190
H-QUALITY CONTROL, TESTING, AND INSPECTION		Total Estimated Value:	>\$3.5M
Opp Title	Department / Agency	NAIC	Value
FEMA Housing Inspection Services	DHS - Department of Homeland Security DHS - Department of Homeland Security	524298-All Other Insurance Related Activities	\$750,000
H--Standard Test Method for Vehicle Crash Testing of Perimeter Barriers	STATE - Department of State U.S. Department of State	-	\$493,716
RECOVERY--H--Inspection of Completed Works FL, 114244, O&M, RLI-02 Inspection of 203 miles of Levee Assets-Contract Employees	DOD - Department of Defense ARMY - Department of the Army	541330-Engineering Services	\$398,138
Marshall Space Flight Center Safety & Mission Assurance Mission Services	NASA - National Aeronautics and Space Administration NASA - National Aeronautics and Space Administration	541710-Research and Development in the Physical, Engineering, and Life Sciences	\$377,000
H--HIGH SPEED MIXED SIGNAL TEST SYSTEM FOR SECURE LABORATORY	DOD - Department of Defense NAVY - Department of the Navy	334515-Instrument Manufacturing for Measuring and Testing Electricity and Electrical Signals	\$375,648
HVAC Water Treatment Services	DOD - Department of Defense AF - Department of the Air Force	811310-Commercial and Industrial Machinery and Equipment (except Automotive and Electronic) Repair and Maintenance	\$177,520
Marshall Space Flight Center Safety & Mission Assurance Mission Services	NASA - National Aeronautics and Space Administration NASA - National Aeronautics and Space Administration	541710-Research and Development in the Physical, Engineering, and Life Sciences	\$175,000
Test Operations Contract at the NASA Marshall Space Flight Center (MSFC) and the Stennis Space Center (SSC)	NASA - National Aeronautics and Space Administration NASA - National Aeronautics and Space Administration	541712-Research and Development in the Physical, Engineering, and Life Sciences (except Biotechnology)	\$120,000
Marine Corps Operational Test and Evaluation Activity (MCOTEA), Omnibus Support	DOD - Department of Defense NAVY - Department of the Navy	541380-Testing Laboratories	\$95,000
H--DIALYSIS WATER SYSTEM AWARD	VA - Department of Veterans Affairs VA - Department of Veterans Affairs	221310-Water Supply and Irrigation Systems	\$70,337
Automated Track Inspection Program - Operation, Maintenance and Supporting Services	DOT - Department of Transportation DOT - Department of Transportation	518210-Data Processing, Hosting, and Related Services	\$67,000

Figure 3.7 Medical Services

PSC		Total Number of Active Opportunities:	772
Q-MEDICAL SERVICES		Total Estimated Value:	\$140.1M
Opp Title	Department / Agency	NAIC	Value
Q--HIV (Type 1/2/O and Western Blot) Testing and Reporting Services	DOD - Department of Defense ARMY - Department of the Army	621511-Medical Laboratories	\$41,077,884
Q--Associated Health Professionals, Inc. Mod #0017 Exercise Option effective 9/15/2009 thru 9/14/2014	VA - Department of Veterans Affairs VA - Department of Veterans Affairs	621111-Offices of Physicians (except Mental Health Specialists)	\$20,335,336
Q--Whitaker Medical, Ltd. Mod #0013 Exercise Option 2.9 Years 11/1/09 - 7/31/12	VA - Department of Veterans Affairs VA - Department of Veterans Affairs	621111-Offices of Physicians (except Mental Health Specialists)	\$6,834,165
Q -- Comprehensive Medical Services (MCC San Diego)	DOJ - Department of Justice DOJ - Department of Justice	622110-General Medical and Surgical Hospitals	\$5,797,807
Part Time Family Practice Physician at Wewoka	HHS - Department of Health and Human Services HHS - Department of Health and Human Services	621111-Offices of Physicians (except Mental Health Specialists)	\$5,500,000
Q--Teleradiology Blanket Purchase Agreement	DOD - Department of Defense ARMY - Department of the Army	621111-Offices of Physicians (except Mental Health Specialists)	\$5,500,000
Q--Teleradiology Blanket Purchas Agreement	DOD - Department of Defense ARMY - Department of the Army	621111-Offices of Physicians (except Mental Health Specialists)	\$5,500,000
Q--Teleradiology Blanket Purchase Agreement	DOD - Department of Defense ARMY - Department of the Army	621111-Offices of Physicians (except Mental Health Specialists)	\$5,500,000
Q--Teleradiology Blanket Purchase Agreement	DOD - Department of Defense ARMY - Department of the Army	621111-Offices of Physicians (except Mental Health Specialists)	\$5,500,000



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Figure 3.8 Education and Training

PSC		Total Number of Active Opportunities:	803
U-EDUCATION AND TRAINING		Total Estimated Value:	\$926.4M
Opp Title	Department / Agency	NAIC	Value
U – Transportation Security Administration Specialized Security Training	DHS - Department of Homeland Security DHS - Department of Homeland Security	611710-Educational Support Services	\$700,000,000.00
Export control training services and equipment	STATE - Department of State U.S. Department of State	611699-All Other Miscellaneous Schools and Instruction	\$50,000,000
RC/OC/WC 135 & E-4B Contract Aircrew Training (CAT) and Courseware Development (CWD), Offutt AFB, NE	DOD - Department of Defense AF - Department of the Air Force	611512-Flight Training	\$36,872,878
OPERATION OF THE WOODSTOCK JOB CORPS CENTER WITH CAREER TRANSITION SERVICES	DOL - Department of Labor DOL - Department of Labor	611519-Other Technical and Trade Schools	\$28,535,207
U--Other Education & Training Services	DOD - Department of Defense ARMY - Department of the Army	611699-All Other Miscellaneous Schools and Instruction	\$27,193,855.00
Operation Of The Muhlenberg Job Corps Center	DOL - Department of Labor DOL - Department of Labor	611519-Other Technical and Trade Schools	\$18,158,731
Educational Management of Saudi War College	DOD - Department of Defense AF - Department of the Air Force	611310-Colleges, Universities, and Professional Schools	\$11,093,873.00
Air Advisor Pre-Deployment Training	DOD - Department of Defense AF - Department of the Air Force	611699-All Other Miscellaneous Schools and Instruction	\$8,989,491.55
School-Community Partnership serving HIV/AIDS affected Orphans and Vulnerable Children (OVCs) at Primary Schools in Ethiopia	USAID - Agency for International Development USAID - Agency for International Development	-	\$7,999,978.00
Outreach/Admissions and Career Transition Services in the State of Michigan for the Job Corps Program	DOL - Department of Labor DOL - Department of Labor	561990-All Other Support Services	\$4,100,140

Figure 3.9 Clothing



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PSC		Total Number of Active Opportunites:	1292
84-CLOTHING, INDIVIDUAL EQUIPMENT, AND INSIGNIA		Estimated Value:	>\$100M
Opp Title	Department / Agency	NAIC	Value
84--TOTAL SOLUTIONS FOR LAW ENFORCEMENT, SECURITY, FACILITIES MANAGEMENT, FIRE, RESC	GSA - General Services Administration GSA - General Services Administration	316999-All Other Leather Good Manufacturing	\$1,000,000
Cold Weather Long and Short Parkas and Trousers	DOD - Department of Defense AF - Department of the Air Force	315222-Men's and Boys' Cut and Sew Suit, Coat, and Overcoat Manufacturing	\$1,377,404.50
84--JACKET,FLYER'S	DOD - Department of Defense DLA - Defense Logistics Agency	-	\$1,716,848.64
84--JACKET,FLYER'S	DOD - Department of Defense DLA - Defense Logistics Agency	-	\$1,759,680.00
84--STRAP,INVOLUNTARY,R	DOD - Department of Defense DLA - Defense Logistics Agency	-	\$100,000.00
84--SLACKS,WOMEN'S	DOD - Department of Defense DLA - Defense Logistics Agency	-	\$100,000.00
84--2-11 Iraqi/Afghan clothing	DOD - Department of Defense ARMY - Department of the Army	-	\$109,274.54
84--Notice of Award	DOD - Department of Defense ARMY - Department of the Army	424990-Other Miscellaneous Nondurable Goods Merchant Wholesalers	\$115,166.95
SCHEDULE 084 TOTAL SOLUTIONS FOR LAW ENFORCEMENT, SECURITY, FACILITIES MANAGEMENT, FIRE, RESC, SPECIAL PURPOSE CLOTHING, MARINE CRAFT AND EMERGENCY/DISASTER RESPONSE	GSA - General Services Administration GSA - General Services Administration	334119-Other Computer Peripheral Equipment Manufacturing	\$125,000
84--TOTAL SOLUTIONS FOR LAW ENFORCEMENT, SECURITY, FACILITIES MANAGEMENT, FIRE, RESC	GSA - General Services Administration GSA - General Services Administration	332212-Hand and Edge Tool Manufacturing	\$125,000
SCHEDULE 084 TOTAL SOLUTIONS FOR LAW ENFORCEMENT, SECURITY, FACILITIES MANAGEMENT, FIRE, RESC, SPECIAL PURPOSE CLOTHING, MARINE CRAFT AND EMERGENCY/DISASTER RESPONSE	GSA - General Services Administration GSA - General Services Administration	316999-All Other Leather Good Manufacturing	\$125,000

Figure 3.10 Facilities Lease and Rental

PSC		Total Number of Active Opportunites:	802
X-LEASE OR RENTAL OF FACILITIES		Total Estimated Value:	894.5 Billion
Opp Title	Department / Agency	NAIC	Value
X y Notice of Intent to Lease Space in Ballston-Virginia Square Submarket of Northern Virginia	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$217,089,252.13
HHS - PARKLAWN EXTENSION SLA 59	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$108,209,250.00
GS-11B-02115 / U.S. Government Notice of Lease Award	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$105,095,969.18
Lease or rental of real estate	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$43,403,724
X -- UNITED STATES GOVERNMENT SEEKS EXPRESSIONS OF INTEREST FOR OFFICE AND RELATED SPACE IN NORTHERN VIRGINIA	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$40,657,347.60
Exercise of 5 year renewal option	GSA - General Services Administration GSA - General Services Administration	531190-Lessors of Other Real Estate Property	\$36,700,000.00
U.S. GOVERNMENT SEEKS PROPOSALS TO LEASE APPROXIMATELY 79,000 RSF (YIELDING AT LEAST 66,000 ANS/BOMA OFFICE AREA SQUARE	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$33,171,035.70
AWARD NOTICE - U.S. GOVERNMENT SEEKS TO LEASE UP TO 94,435 RSF (YIELDING A MINIMUM OF 82,576 ANS/BOMA OFFICE AREA SQUARE FEET OF OFFICE SPACE IN	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$31,430,115.07
Lease for DRO OPLA EOIR - Salt Lake City, UT	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$29,327,333.50
Notice of Lease Award for Leased Office Space in Queens - Long Island, NY	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$22,005,726.65
Notice of Lease Award for Leased Office Space in Suffolk- Long Island, NY	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$20,691,240.71



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Figure 3.11 Services

PSC Construction Support		Total Number of Active Opportunities:	1285
S-UTILITIES AND TRAINING		Total Estimated Value:	\$427.8M
Opp Title	Department / Agency	NAIC	Value
S-Utility Privatization of Electric Distribution System of Wright Patterson Air Force Base, OH	DOD - Department of Defense	231122-Electric Power Distribution	\$175,596,992
Z-MAINTENANCE, REPAIR, OR ALTERATION OF REAL PROPERTY	DOD - Department of Defense		
Y-CONSTRUCTION OF STRUCTURES AND FACILITIES	DOD - Department of Defense		>\$100B
Opp Title	Department / Agency	NAIC	Value
IDIQ Design-Build Construction Services	HHS - Department of Health and Human Services	236220-Commercial and Institutional Building Construction	\$25,000,000
Victory Base Internal Security Services	HHS - Department of Health and Human Services	551612-Security Guards and Patrol Services	\$27,346,308
Chiller Installation/Associated Pumps/Controls in Building 5504 at Fort Belknap, Frankfort, KY	HHS - Department of Health and Human Services	-	\$1,063,650
RECOVERY--Y--Repair Railroad, Fort Drum, NY	DOD - Department of Defense	237200-Other Heavy and Civil Engineering Construction	\$1,279,243
S-Hospital Housekeeping Services at Walter Reed Army Medical Center (WRAMC) in Washington, DC	DOD - Department of Defense	551720-Janitorial Services	\$22,892,189
RECOVERY--Z--Recovery - Armory Roof Repair, Fort Belknap, Frankfort, KY	DOD - Department of Defense	238160-Roofing Contractors	\$1,698,701
RECOVERY--Z--Recovery - Replace Fuel Storage Tanks and Repair Liquid Fuel Pump Station, Fort Belknap Air Force Base, Bernalillo County, New Mexico	DOD - Department of Defense	221119-Other Electric Power Generation	\$18,300,000
S-Strategic Planning, Comprehensive Space Analysis and Design and Program Management Services	EPA - Environmental Protection Agency	237120-Oil and Gas Pipeline and Related Structures Construction	\$10,315,650
RECOVERY--Y--RECOVERY-- FY09 ARRA FSRM S.E. AREA UTILITIES REPAIR	DOD - Department of Defense	551612-Security Guards and Patrol Services	\$15,420,218
S-REPAIR OF CANALS AND SEWER LINES SERVICES CURRY COUNTY, NEW MEXICO	DOD - Department of Defense	541611-Administrative Management and General Management Consulting Services	\$11,301,372
Z--Replace roofing on buildings at Fort McCoy W Security Guard Services for Rocky Mountain Labs	DOD - Department of Defense	237120-Oil and Gas Pipeline and Related Structures Construction	\$2,755,000
Y--Three-Bay Fire Station, Hill AFB, Utah	DOD - Department of Defense	551612-Security Guards and Patrol Services	\$11,297,820
RECOVERY--Z--SIPD Number 71458, Emsworth Back Channel Abutment Stabilization.	DOD - Department of Defense	238160-Roofing Contractors	\$26,442,900
Z--Performance Oriented Construction Activity (POCA), Indefinite Quantity (IDIQ) Contract for Construction primarily within the Sacramento Districts Civil and Military Works Boundaries, but to include all of the South Pacific Division	DOD - Department of Defense	551612-Security Guards and Patrol Services	\$10,041,128
Z--Performance Oriented Construction Activity (POCA), Indefinite Quantity (IDIQ) Contract for Construction primarily within the Sacramento Districts Civil and Military Works Boundaries, but to include all of the South Pacific Division	DOD - Department of Defense	236220-Commercial and Institutional Building Construction	\$3,229,089
S-Facilities Operations Support Services	DOD - Department of Defense	237310-Highway, Street, and Bridge Construction	\$3,334,736
		331210-Facilities Support Services	\$7,473,500
			\$3,500,000
			\$3,500,000



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Utilizing CNMI's natural resources to provide complementary support to DoD Guam

Figure 3.13 Environmental Services

PSC		Total Number of Active Opportunities:	1178
F-NATURAL RESOURCES AND CONSERVATION		Total Estimated Value:	\$175.4M
Opp Title	Department / Agency	NAIC	Value
RECOVERY y Leaking Underground Storage Tank (LUST) Project y Oliver Hill Site Monitoring y Region 2	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	562910-Remediation Services	\$14,337,737.28
RECOVERY y Leaking Underground Storage Tank (LUST) Project y Bovey Oil Site Closure y Region 10	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	562910-Remediation Services	\$14,337,737.28
RECOVERY y Leaking Underground Storage Tank (LUST) Project y Ferdinand Gas Station Site Assessment and Closure y Region 10	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	562910-Remediation Services	\$14,337,737.28
DE-AT30-08CC60014 Mod 019 Services for Deactivation, Demolition, and Removal of the Separations Process Research Unit (SPRU) nuclear facilities	DOE - Department of Energy DOE - Department of Energy	562910-Remediation Services	\$13,000,000
RECOVERY ACTION: Services for Deactivation, Demolition, and Removal of the Separations Process Research Unit Nuclear Facilities	DOE - Department of Energy DOE - Department of Energy	-	\$13,000,000
Environmental Remediation Services for the US Army Corps of Engineers, Northwestern Division & existing customers.	DOD - Department of Defense ARMY - Department of the Army	562910-Remediation Services	\$9,000,000.00
RECOVERY y Targeted Brownfields Assessments (TBA) RFO #25 - Combined Phase II Environmental Assessment and Underground Storage Tank Removal and Closure Assessment	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	541620-Environmental Consulting Services	\$7,500,000
RECOVERY y Targeted Brownfields Assessments (TBA) RFO #29 - Milwaukee Roundhouse Facility - Passenger Refueling Area	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	541620-Environmental Consulting Services	\$7,500,000
RECOVERY y Targeted Brownfields Assessments (TBA) RFO #27 - Three Southern West Virginia Brownfields Assessments y Ansted, Mount Hope, and Webster Springs	EPA - Environmental Protection Agency EPA - Environmental Protection Agency	541620-Environmental Consulting Services	\$7,500,000
RECOVERY-F--Modification for Soils Remediation Action at the Cornell Dubilier Electronics Superfund Site, OU-2 (Operable Unit), South Plainfield, Middlesex County, New Jersey.	DOD - Department of Defense ARMY - Department of the Army	541330-Engineering Services	\$6,000,000.00
F--Environmental Services	GSA - General Services Administration GSA - General Services Administration	541620-Environmental Consulting Services	\$5,475,000.00



Figure 3.14 Facilities Lease

PSC		Total Number of Active Opportunities:	802
X-LEASE OR RENTAL OF FACILITIES		Total Estimated Value:	894.5 Billion
Opp Title	Department / Agency	NAIC	Value
X y Notice of Intent to Lease Space in Ballston-Virginia Square Submarket of Northern Virginia	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$217,089,252.13
HHS - PARKLAWN EXTENSION SLA 59	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$108,209,250.00
GS-11B-02115 / U.S. Government Notice of Lease Award	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$105,095,969.18
Lease or rental of real estate	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$43,403,724
X -- UNITED STATES GOVERNMENT SEEKS EXPRESSIONS OF INTEREST FOR OFFICE AND RELATED SPACE IN NORTHERN VIRGINIA	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$40,657,347.60
Exercise of 5 year renewal option	GSA - General Services Administration GSA - General Services Administration	531190-Lessors of Other Real Estate Property	\$36,700,000.00
U.S. GOVERNMENT SEEKS PROPOSALS TO LEASE APPROXIMATELY 79,000 RSF (YIELDING AT LEAST 66,000 ANSI/BOMA OFFICE AREA SQUARE	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$33,171,035.70
AWARD NOTICE - U.S. GOVERNMENT SEEKS TO LEASE UP TO 94,435 RSF (YIELDING A MINIMUM OF 82,576 ANSI/BOMA OFFICE AREA SQUARE FEET OF OFFICE SPACE IN	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$31,430,115.07
Lease for DRO OPLA EOIR - Salt Lake City, UT	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$29,327,333.50
Notice of Lease Award for Leased Office Space in Queens - Long Island, NY	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$22,005,726.65
Notice of Lease Award for Leased Office Space in Suffolk- Long Island, NY	GSA - General Services Administration GSA - General Services Administration	531120-Lessors of Nonresidential Buildings (except Miniwarehouses)	\$20,691,240.71

4.5 Other Follow-Up Opportunities

Other Follow-Up Opportunities are areas that may align with Military Build-up in the region, helping the CNMI leaders gain a competitive advantage where there are gaps in service such as in specialized fields and products, by utilizing policy advantages, by prepping their businesses to be better government contractors, or by reducing costs in shipping and travel between islands:

- **Specialized Medical:** Focusing on medical services complements the Military. Most likely referrals from Military doctors will go to local doctors of



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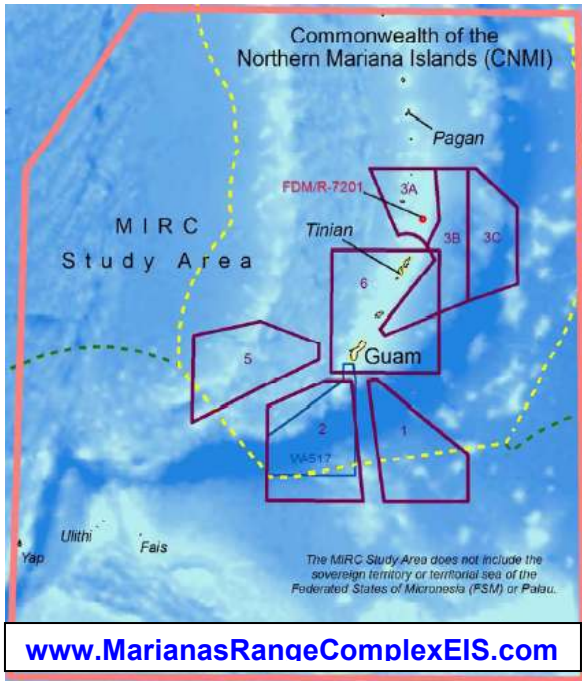
particular specialties. The CNMI should encourage specialties that are not offered by general Military medical.

- Specialty Hospitals
 - Rehabilitation and Recovery
 - Psychiatric
 - Telemedical
- **Mining:** The CNMI could start mining its pozzolan deposits. Currently a Hawaiian Rock Products¹² company has received +\$18 Million in DoD contracts to supply aggregate materials.
- **Military Retirement Community:** Utilizing HUD money, a retirement community can be developed for Military retirees.
- **Light Manufacturing:** Utilizing the Jones Act, CNMI businesses could be created to build goods by importing disparate parts and supplies from neighboring Asian countries then assembled on island. As long as the assembly creates a new product with a “value added” from imported parts and supplies then the final product can be stamped as made in the USA, then shipped out on the same cargo ship that brought in the imported parts, lowering shipping costs and creating a distinct advantage for CNMI businesses. Lastly, any product that can be proven built in the USA may be able to take advantage of NAFTA, a treaty that allows free trade between USA, Canada, and Mexico, further enhancing market breadth capabilities for CNMI businesses. Local light manufacturing and service businesses who want to take advantage of government contracts and the markets available must first register with the Federal government before contracting.
- **Procurement Training and Assistance Center (PTAC):** to help local businesses gain government contracts, by providing government expertise in on how to do business with the Federal Government while enabling a network of contractors for joint venturing with local disadvantaged businesses.
- **Interisland Transportation:** It is very important to bring the islands closer together by lowering cost to transfer goods, services, and people. This will be a priority for attracting Military tourism.
 - High-speed catamarans (car carrying type)
 - Increased Interisland flights: Lower prices

¹² August 17th, 2009 Marianas Business Journal. www.mbjguam.net



4.6 MIRC SUMMARY: Proposed Regional Strategies and Impacts



According to available public MIRC documents, the Northern Marianas Islands are targeted as **low military use** during the initial buildup in Guam. Although, Due to Guam and CNMI's strategic location and DoD's ongoing reassessment of the WestPac military alignment, there has been a dramatic increase in the importance of the MIRC as a training venue and its capabilities to support required military training.

The MIRC document is set up to give alternatives of 1, 2, and 3 to help predict best possible opportunity for the Military. This supports this

document's premise that the CNMI need to hire a Military liaison to approach the Military with proposed solutions regarding the use of CNMI natural resources instead of waiting for the Military to make a decision for action. The below quote indicates that the Military already knows that the value in the MIRC area and how perfect the MIRC is for operations such training. Let the CNMI partner with the DoD and proactively provide the solutions to maximize benefit, taking potential and turning it into reality

"The MIRC is the only capable and efficient training location within the territory of the United States in the WestPac for military services homeported, deployed to, or returning from regions in the WestPac and the Indian Ocean. The MIRC has the capability to support a large number of forces (multi-national air, land, and sea components), has extensive existing range assets, and accommodates training and testing responsibilities both geographically and strategically, in a location under U.S. control. The U.S. military's physical presence and training capabilities are critical in providing stability to the Pacific Region. Strategically located



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in the WestPac, the MIRC has a unified presence of Army, Marine Corps, Navy, Air Force, National Guard, and Coast Guard forces.”¹³

MIRC Summary Strategic Vision

The MIRC document has an over arching vision to maximize use of the MIRC's natural resources for training as much as possible.

“The U.S. Pacific Command (USPACOM) Strategic Vision for the MIRC is that it supports the training requirements of permanent, deployed military forces and temporary, deployed military forces in the WestPac.”¹⁴

As stated previously in this document, the greatest advantage the CNMI has is its close proximity to the regional military hub, Guam. Along with the fact that the CNMI is a U.S. territory, making it easier for the DoD to perform military training exercises that would normally be hindered in foreign territories due to politics.

“The MIRC is part of U.S. territory with a supportive local population. With range resource and infrastructure improvements, the MIRC can provide quality training venues for Service and Joint training scenarios.”¹⁵

Once Operational Support is captured for the CNMI in the form of upgrades and modernization of Port and training facilities then sustainment contracts will be awarded for Supply and Maintenance.

“The capabilities of the MIRC must be sustained, upgraded, and modernized to address shortfalls. Moreover, the MIRC must have the flexibility to adapt and transform the training environment as new weapons systems are introduced, new threat capabilities emerge, and new technologies offer improved training opportunities. Training capacity, meaning adequate space to train on the land, sea, and in the air, is a continuing concern throughout the DoD.”¹⁶

For instance, if the CNMI does not want to participate then the Military may decide to move to other locations such as Palau. Urgency by the CNMI people and leadership are required to own how they will utilize the approach as recommended in this document.

¹³ MIRC 2009

¹⁴ MIRC 2009

¹⁵ MIRC 2009

¹⁶ MIRC 2009



Summary Cultural, Socioeconomic, and Environmental from the MIRC

Urban Quality, Historic and Cultural Resources and the Design of The Built Environment

The MIRC states that there will be no significant affect to urban areas:

"There are no urban areas under consideration in this EIS/OEIS and therefore no urban quality issues exist. Likewise, there is no new construction being proposed, only minor repair and upgrade to existing facilities. Terrestrial archaeological sites, buildings, or structures are not substantially affected by current training activities and an increase in training exercises would not substantially affect cultural resources if avoidance conditions and stipulations are followed." (MIRC 2009)

SOCIOECONMICS

According to the MIRC, no matter which alternative is chosen, there will be no significant socioeconomic changes.

"Implementation of the No Action Alternative, Alternative 1, or Alternative 2 in conjunction with the cumulative actions would not result in significant socioeconomic impacts within the region of influence. Implementation of the No Action Alternative, Alternative 1, or Alternative 2 would not produce any significant regional employment, income, housing, or infrastructure impacts. Effects on commercial and recreational fishermen, divers, and boaters would be short term in nature and produce some temporary access limitations. Some offshore events, especially if coincident with peak fishing locations and periods, could cause temporary displacement and potential economic loss to individual fishermen. However, most offshore events are of short duration and have a small operational footprint. Effects on fishermen are mitigated by public notification of scheduled activities. In selected instances where safety requires exclusive use of a specific area, commercial fishing vessels, commercial vessels, or private vessels may be asked to relocate to a safer nearby area for the duration of the exercise. These measures should not significantly impact any individual fisherman, overall commercial revenue, or public recreational opportunity in the open ocean area."¹⁷

MIRC Environmental Impacts Assessment

Environmental Impacts associated with the MIRC decisions regarding Alternatives 1 and 2 are nicely addressed in the tables and can be accessed from the MIRC document located at: www.MarianasRangeComplexEIS.com

¹⁷ MIRC 2009



4.7 Regional Military Projects List

Cited List¹⁸

Projects 2009	Installations	Value
Waste Water Collection Systems Recapture	Naval Base Guam	\$26.07M
Bachelor Enlisted Quarters	Naval Base Guam	\$53.79M
Central Utility Plant	Naval Hospital Guam	\$30M
Kilo warf Extension Phase 2	Naval Base Guam	\$50.91M
Combat Communications Facility	Andersen Air Force Base	\$3.87M
Arc Light Boulevard Realignment	Andersen Air Force Base	\$5.40M
Deployment Facility Addition	Andersen Air Force Base	up to \$5M
Extend Landfill Life	Andersen Air Force Base	up to \$5M
Repair and Modernize BEQ 580, Camp Covington	Naval Base Guam	\$3.4M
Repair and Modernize BEQ 581 & 584 Camp Covington	Naval Base Guam	\$4.2M
Repair and Modernize BEQ 579, Camp Covington	Naval Base Guam	\$6.3M
Modernize Urology / Orthopedics and Endoscopy Suite	Naval Hospital Guam	\$264,624
Resurface Parking Lot	Naval Hospital Guam	\$296,071
Repair Santa Rosa Water Tank	Andersen Air Force Base	\$323,000
Construct bypass line at Santa Rosa tank	Andersen Air Force Base	\$645,000
Repair waterline from Santa Rosa to back gate	Andersen Air Force Base	\$3.23M
Repair waterline from wells 5-9 to Santa Rosa tank	Andersen Air Force Base	\$4.3M
Repair Crummm Ave from Kenny Ave to Bonins Blvd	Andersen Air Force Base	\$188,000
Repair Taxiway B hardstands (S72, S74, S76)	Andersen Air Force Base	\$807,000
Repair Center Ramp 5 and Taxiway B hardstands	Andersen Air Force Base	\$2.15M
Repair Taxiway C, Phase 4	Andersen Air Force Base	\$6.24M
Repair roofs on multiple facilities	Andersen Air Force Base	\$1.45M
Housing Operations and Maintenance	Naval Housing Area	\$12.86M
Program Support Services	Various	\$5.73M
Sea and Intermodal freight service	n/a	\$100M
Sea and Intermodal freight service	n/a	\$40M
Sea and Intermodal freight service	n/a	\$100M
Overhaul USNS Shasta	Naval Base Guam	\$8.95M
Environmental Impact Study	Various	\$65M
Design and engineering for Hospital replacement	Naval Hospital Guam	15.02M
Base Operating Support	Naval Base Guam	\$72.68M
Overhaul USNS Rainier	Naval Base Guam	\$7.42M
Prime vendor food distribution	Various	\$60M
Renovation of Joint Region Marianas headquarters	Joint Region Headquarters	\$15.4M
Installation of energy conservation measures	Naval Base Guam	\$34.1M
Guam VA community based outpatient clinic	Naval Hospital Guam	\$4.5M

¹⁸ August 17th, 2009 Marianas Business Journal. www.mbjguam.net



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4.8 Acronyms Library

A

AFRC – Armed Forces Recreation Center

B

C

C2 – Command and Control

C4ISR - Command, Control Communication, Computers, Intelligence, Surveillance, Reconnaissance

CNMI – Commonwealth of the Northern Mariana Islands

CONUS – Continental United States

D

DoD – Department Of Defense

DoD-Guam – is the joint military services presently on Guam

DoS – Department Of State

E

F

G

H

I

J

JLOTS – Joint Logistics Over The Shore

K

L

M

MWR – Morale, Wellness, and Relaxation

N

O

O&M – Operations and Maintenance

OCONUS – Outside the Continental United States

P

PEST – Political, Economic, Socio, Technology

POD – Port of Debarkation

POE – Port of Embarkation

Q

QoL – Quality Of Life

R

RDT&E - Research, Development, Testing, and Evaluation

RSOI - Receipt, Staging, Onward Movement and Integration

S

SPOD – Sea Port Of Debarkation

SWOT – Strengths, Weakness, Opportunity, Threats

T

TAV – Tactical Arial Vehicle

U

USAF – United States Air Force

V

W

X

Y



Z

5.0 References

Local Interviews \ Presentations:

Saipan

Governor Benigno R. Fitial
Lt. Governor Eloy S. Inos
Bob Jones, Chairman of the SEDC
Mike Ada, Secretary of Commerce (DoC)
Sixto Igisomar, Assistant Secretary of Commerce (DoC)
Ruth Coleman, Veterans Affairs

Tinian

Bill M. Cing, Mayor's Chief Executive Officer
Joe Kiyoshi (DoC)
Phil Long
Allen Perez

Rota

Mayor Joseph S. Inos
Tom Quitugua (DoC)

Northern Islands

Pedro R. Guerrero, Consultant to the Northern Islands Mayor

Resources Used:

- 1) MIRC 2009, www.MarianasRangeComplexEIS.com
- 2) www.epa.gov/safewater/contaminants/index.html
- 3) Management Logistics 2007; Jeffery A. Jones, Logistics Management: Logistics a Core DoD Competency?, PM July August, 2007
- 4) CEDS 2009 Quote General Bies
- 5) p.V1, Defense Acquisition University Joint Publication 04-9
- 6) Texas Transportation Institute, Texas A&M University, <http://tti.tamu.edu>
- 7) August 17th, 2009 Marianas Business Journal. www.mbjguam.net
- 8) www.fedbizopps.gov
- 9) Defense Appropriation Acts FY 2001 – FY 2009, National Defense Budget Estimates for FY 2009, OMB Historical Tables FY 2009. <http://www.defenselink.mil/news/FY10%20Budget%20Request.pdf>
- 10) http://www.defenselink.mil/comptroller/defbudget/fy2009/budget_justification
- 11) http://www.defenselink.mil/comptroller/defbudget/fy2009/budget_justification
- 12) <http://www.columbia.edu/cu/lweb/indiv/usgd/budget.html#calendar>
- 13) www.acq.osd.mil/osbp/doing_business/index.htm
- 14) MIRC 2009, www.MarianasRangeComplexEIS.com
- 15) MIRC 2009, www.MarianasRangeComplexEIS.com
- 16) MIRC 2009, www.MarianasRangeComplexEIS.com
- 17) MIRC 2009, www.MarianasRangeComplexEIS.com
- 18) MIRC 2009, www.MarianasRangeComplexEIS.com
- 19) August 17th, 2009 Marianas Business Journal. www.mbjguam.net



Local Feedback: Comments to Questions

Local feedback came in the form of public presentations and forums that were arranged on Saipan, Tinian, and Rota. Also, local participants provided feedback in one-on-one meetings or through e-mail.

Participants of Public Forums

Saipan: No one showed up to the advertised forum

Tinian:

Matthew Masga
Allen Perez
Janet King
Juanita Mendiola
Kinelar M.
D.F.
Jose P. Kiyoshi
Maria T. Rios

Rota:

Tom Quitugua
Mayor Joseph S. Inos
Pedro Q. Dela Cruz
Felix Santos
Ike M.
Eusebio Hocog
Crispin M. Ayuyu
Martin Atalig

E-mails Received From

November 2, 2009; Lily Nguyen
November 2, 2009; Jay Solly
November 1, 2009; John Halterman
October 29, 2009; Roger Whittaker
October 16, 2009; Edward DeLeon Guerro
October 16, 2009; James H. Arriola
October 13, 2009; Kathy Arriola
October 13, 2009; Theresa Arriola
October 12, 2009; leadershipipio@yahoo.com



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Advertisements in Marianas Variety and Saipan Tribune:

Proposed CNMI Strategy to Support the Military Buildup for Local Benefit

PUBLIC INVOLVEMENT MEETING

A Public Meeting will be held to discuss findings regarding how the CNMI can better utilize its resources to support the military during the build-up on Guam and ensuring long term benefits to the CNMI.

The goal of the meeting is to gain public feedback to help shape a support strategy.

The first meeting will be held at the Roundhouse on Rota, October 1st, starting at 6:00 P.M. Similar meetings in Saipan and Tinian will be scheduled in the following weeks.

For those who cannot attend,
we welcome your written comment sent to either:
igisomar@gmail.com or
CNMI.Proposed.Strategies@gmail.com

Proposed CNMI Strategy to Support the Military Buildup for Local Benefit Public Involvement Meeting

A Public Meeting will be held to discuss findings regarding how the CNMI can better utilize its resources to support the military during the build-up on Guam and ensuring long term benefits to the CNMI. The goal of the meeting is to gain public feedback to help shape a support strategy. This meeting will be held on **Saipan October 5th, at the Multi Purpose Center starting at 7:00PM.** Then, another meeting held on **Tinian October 6th, at the Tinian Public School, starting at 7:00PM.**

For those who cannot attend, we welcome your written comments sent to either:

igisomar@gmail.com

or

CNMI.Proposed.Strategies@gmail.com

Comment period for the military strategic planning document; Draft for Public Comment – “A Strategic Approach Utilizing CNMI’s Natural Resources to Provide Complementary Support to DoD Guam”,

is now extended to **Monday, November 2, 2009.** All comments should be sent to commercedept@pticom.com or delivered to our office on Capitol Hill. For more info. contact Sixto K. Igisomar at 664-3000.

To access the document, go to www.commerce.gov.mp / see “What’s New” in October on Welcome Page at bottom of page



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Utilizing CNMI's natural resources to provide complementary support to DoD Guam

The following is a list of comments to the questions asked during Public Forums:

- **Do we (the CNMI) need to sell to the DoD or do we wait for the DoD to come to us with solutions?**

The recommendation from Anthony Merritt is for the CNMI to come together and decide what solutions they want to offer the DoD and then have a designated CNMI representative, namely a military liaison to help facilitate the discussion with the DoD, getting to the right planners and decision makers so the offered solutions can be properly brokered.

- **Businesses in the CNMI tend to be cash poor, needing lead time to prepare and participate in the Military buildup. How can we do this if we do not know what the Military is going to do?**

The recommended strategy is to prepare for what the Military wants to go after with the DoD. If we focus on Operational Readiness, then Maintenance and Repair services, then we can anticipate what the Military needs. Companies and local government then ensure economic success.

- **The DoD claims they are not interested in infrastructure. How do we get them to build out infrastructure?**

The DoD traditionally builds infrastructure for operational readiness. This means the CNMI's infrastructure needs to be built to support the Military's needs. For instance, building a firing range on Tinian then the CNMI benefits both the CNMI and the DoD. Building a storage facility on the Tinian airport builds infrastructure while creating local jobs in maintaining the facility, not to mention reducing port closure for transportation of hazardous material (such as ammo) every time the Military comes for training, this is a win - win solution and one that can be provided to the DoD if packaged and communicated correctly.

- **Freight is too high for farmers in the CNMI to compete for DoD Guam contracts. How do we change this?**

The DoD will most likely not subsidize shipments from the CNMI. However, there are some options that the CNMI should consider. 1) CNMI business should take advantage of SBA HUBzone, 8a, and/or Veteran designations. This allows CNMI businesses to go after government contract set asides for disadvantaged businesses, leveling the playing field against larger competitors. 2) If the CNMI understands the DoD's need for mission for operational readiness as a top priority then a packaged solution to the Military could be carefully brokered to utilize training operations to CNMI ports that may allow the use of transportation of goods to and from Guam, again leveling the playing field.

A Strategic Approach Utilizing
CNMI's Natural Resources to Provide
Complimentary Support to DoD Guam

Governor Benigno R. Fitial,
the SEDC, and Department of Commerce have
sponsored and released a
Draft for Public Comment

Go to <http://www.commerce.gov.mp/>
See "What's New" in October on
Welcome Page (at bottom of page)
DRAFT CNMI- Strategic Approach to
Military 09OCT2009

Send Comments to: commercedept@pticom.com
Comment Period will end October 16th, 2009



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Utilizing CNMI's natural resources to provide complementary support to DoD Guam

- **Does the current CNMI leadership have this proposed strategic approach and hiring of a Military Liaison a top priority?**
The Strategic Economic Development Council (SEDC) headed by Governor Benigno R. Fitial, has this strategic approach as one of their many priorities and the fact that the priority for completion of public presentation of this strategy document is a true indication of the administration's seriousness and commitment to making early progress.
- **With all the opportunities there may be a chance I won't know my island any more. How do we control this?**
Getting involved with the potential solutions to be offered by the CNMI to the DoD will ensure that the right approach makes sense both economically and culturally, preserving values, history, and way of life where necessary.
- **Is there a security concern from the DoD to allow personnel to the CNMI for rest and relaxation?**
There is no indication that the CNMI is on a do not visit list by the DoD. If anything, the fact the CNMI is a U.S. territory and the U.S. passports are easily accepted, the CNMI is a perfect place and location for MWR activities for DoD personnel.
- **Will the DoD promote the CNMI's Casinos?**
DoD is a conservative organization and Casinos are not a core trait the Military promotes. Generally speaking, the Military promotes activities that are fitness related or that promote rest and relaxation with family participation where possible.
- **With travel expenses so high to get to the CNMI, will DoD personnel spend the money to get here?**
DoD personnel like anyone else, are on fixed incomes. Until an increase in travel on both surface and air are available, prices will remain high, limiting potential travel to the CNMI. One recommendation is to put a high speed car and people catamaran service from Guam to Rota and then Rota to the rest of the CNMI for best movement of people and goods at a lower price.
- **Why does this strategy approach focus on Operations readiness first and not Quality of Life (MWR) first, something the CNMI is good at?**
The DoD traditionally makes Operational Readiness as its top priority and thus spends the majority of money. Quality of Life is not the Top Priority of the DoD and therefore money is allocated last in QoL with highest scrutiny. The recommendation by PMO's military subject matter expert, Anthony Merritt, is that the CNMI should carefully strategize solutions with the DoD, bringing investment to the CNMI. Once Operational needs are satisfied the CNMI will gain a greater chance of getting follow on supply and maintenance along with Quality of Life (MWR) opportunities.



6.0 Take Away Section: DoD Talking Point Projects

This section is designed as a take away from this document, providing talking points for initial meetings between the CNMI Military Liaison and the DoD Guam and Pacific Command. The talking points help the CNMI Military Liaison provide insight as to what solutions the CNMI can offer the DoD to complement the regional military buildup. The objective is for each talking point to be further developed into projects that can be prioritized and phased to allow the CNMI to deliver and receive the most benefit while also providing a solution for the DoD that is easily defensible when capital investment is made in the CNMI. Therefore, it is important that each talking point provide a generalized solution to allow the DoD representatives to work in concert with the CNMI representatives to develop a detailed scope for each project. The talking points are listed in order of priority based on the DoD's hierarchy of importance: 1) Operational Support, 2) Supply and Maintenance, and 3) Quality of Life Services.

Operational Support

The main objective of the military is to be mission ready and this is where their main resources of money and human capital are focused. To help complement the DoD's mission readiness it is recommended that the CNMI provide solutions centered around training operations such as:

Surface and Aerial Operational Training

1) Joint Logistics over the Shore (JLOTS)

JLOTS training is required in order to be mission capable for deployment to unimproved ports around the world.

CNMI Recommended Solutions: Utilize the CNMI's unimproved ports and designated coastlines to practice training for moving troops, supplies, and equipment off ships to shore. Currently, the CNMI practices JLOTS at their port in Saipan where cargo ships are offloaded in deep water to smaller transports to bring goods to shore.

Where in the CNMI can JLOTS training be done?

Saipan:

- Main port facilities.



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Tinian:

- Main port facilities;
- North end of island coast line area.

Rota:

- Main port facilities;
- Any designated access to coast line area.

Northern Islands:

- Any designated access to coast line area.

Why should the DoD utilize the CNMI for JLOTS?

- JLOTS training permission on foreign soil is difficult to obtain;
- The CNMI is in close proximity to the regional operations hub of Guam;
- The CNMI is a willing partner in providing the DoD the necessary resources for such training;
- JLOTS can be done in the CNMI immediately, requiring no improvements to existing infrastructure.

2) Ports Operations – Embarkation and Debarkation

The military must train on Embarkation and Debarkation processes and procedures. **Port of Embarkation Processes** – Point of Origin; Staging, Marshalling, Customs and Agriculture clearance, and Loading of equipment and passengers. **Port of Debarkation Processes** – Point of Completion; Similar operations to Port of Embarkation but also preparation for Receipt, Staging, Onward Movement and Integration (RSOI) into the force in the area of operation.

CNMI Recommended Solutions: Utilize the CNMI's sea and air ports to practice training embarkation and debarkation processes, providing an alternate venue to relieve already busy port operations in Guam.

Where in the CNMI can Embarkation and Debarkation training be done?

Saipan, Tinian, Rota:

- Main airport and seaport facilities.

Why should the DoD utilize the CNMI for this training?



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- The CNMI is in close proximity to the regional operations hub of Guam;
- The CNMI is a willing partner in providing the DoD the necessary resources for such training;
- The CNMI has existing port infrastructure available along with the human capital to support such training operations.

3) **Disaster and Contingency Operations Response**

Training

The military must also train for disaster and contingency response to a host of threats that include weather to human related events. Preparation is paramount to the success of the military in responding to a crisis. The following areas should be of interest:

- Staging of Prepositioned Equipment: Rotational stock and depot level maintenance capabilities provide key supply chain management functions to the US Pacific Forces;
- Deployment Support: Similar function to the training capabilities that are described above, but also provide temporary berthing for deploying service members;
- Depot Level Maintenance of Tactical, Support Vehicles and Support Equipment.

CNMI Recommended Solutions: Utilize the CNMI's many warehouses left from the garment industry exodus to allow the military to preposition equipment and stocks. From an Aerial point of view the CNMI could offer alternate hangar capability to store aircraft to help DoD Guam spread out their assets strategically. Also, the CNMI could offer some of their closed hotel or other building facilities as temporary berthing for service members or for operations management. Once the military has their equipment and stocks prepositioned then they can perform the necessary training to meet disaster and contingency operations preparedness.

Where in the CNMI can disaster and contingency operations response training be provided?

Saipan:

- Main airport and seaport facilities to house military equipment such aircraft or light vessels;
- Warehouses (existing);



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- Existing hotel buildings or barracks (to be constructed) for temporary berthing of service members;
- Training facilities: Class rooms, mock triage, and temporary head quarters (to be constructed if necessary).

Tinian:

- Main airport and seaport facilities to house military equipment such aircraft or light vessels;
- Warehouses (to be constructed if necessary);
- Barracks facilities (to be constructed) for temporary berthing facilities of service members;
- Training facilities: Class rooms, mock triage, and temporary head quarters (to be constructed if necessary).

Rota:

- Main airport and seaport facilities to house military equipment such aircraft or light vessels;
- Warehouses (to be constructed if necessary);
- Barracks facilities (to be constructed) for temporary berthing facilities of service members;
- Training facilities: Class rooms, mock triage, and temporary head quarters (to be constructed if necessary).

Northern Islands:

- Heliport and seaport facilities (to be constructed if necessary);
- Warehouses (to be constructed if necessary);
- Barracks facilities (to be constructed) for temporary berthing facilities of service members;
- Training facilities: Class rooms, mock triage, and temporary head quarters (to be constructed if necessary).

Why should the DoD utilize the CNMI for this training?

- The CNMI is in close proximity to the regional operations hub of Guam;
- The CNMI is a willing partner in providing the DoD the necessary resources to house prepositioned equipment and stocks;
- The CNMI has existing port infrastructure available along with the human capital to support such training operations.

4)

Required Flying Hours (Maintain Qualifications)



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The DoD's military aircraft crews must maintain a minimum number of flying hours, practicing a number of landing procedures.

CNMI Recommended Solutions: Utilize the CNMI airports on Saipan, Tinian, and Rota to help the military aircraft crews meet their flight requirements. The CNMI would be providing complementary support to the DoD Guam as an alternate airfield location, alleviating air traffic congestion from such exercises and allowing a secondary landing site for aircraft during inclement weather.

Where in the CNMI can flight hours be provided?

Saipan:

- Airport.

Tinian:

- Airport.
- North air fields.

Rota:

- Airport.

Northern Islands:

- Heliport.

Why should the DoD utilize the CNMI for this training?

- The CNMI is in close proximity to the regional operations hub of Guam;
- The CNMI's traffic patterns are light;
- The CNMI is a willing partner.

5) Austere Environment Operations (Simulates Deployed Environment) and computer simulation training.

Training military personnel to be prepared for land, sea, and air battles is highly important and regularly practiced.

CNMI Recommended Solutions: Utilize the CNMI to supply designated lands for ground forces training. For instance, Tinian is already targeted to have a small arms range. To help complement the build of the small arms range on Tinian, the CNMI should offer a solution of building the protection berms high enough to allow Broadway to remain open during training, allowing commerce (tourism) to continue in the historical north of Tinian. Also,



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offering airport space to build an ammunition storage facility would be an advantage for both Tinian and the military, allowing Tinian's ports to remain open during transport of hazardous material (ammo) and providing the DoD with a solution for securing and maintaining the ammunition storage facility. Other solutions include offering land and resources to:

- Provide urban area training;
- Provide computer simulated exercises training:
 - Maintenance Procedures Training;
 - Injury Treatment Training;
 - Language Instruction and Cultural Awareness Training;
 - Joint Combat Virtual Training;
 - Pre-Deployment Training.

Where in the CNMI can austere environment operations and simulation training be provided?

Saipan:

- Other training facilities: class rooms, High-tech computer simulation, and communications (to be constructed);
- Urban area training.

Tinian:

- Designated small arms training lands;
- Airport: ammunition storage facility (to be constructed);
- Other training facilities: class rooms, High-tech computer simulation, and communications (to be constructed);
- Urban area training;
- Parachute training.

Rota:

- Dense forest and jungle training exercises;
- Parachute training;
- Other training facilities: class rooms, High-tech computer simulation, and communications (to be constructed);
- Army Corp of Engineers testing and training site.

Northern Islands:

- Urban area training;
- Parachute training;
- Large caliber weapons training;



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- Other training facilities: class rooms, High-tech computer simulation, and communications (to be constructed).

Why should the DoD utilize the CNMI for this training?

- The CNMI is in close proximity to the regional operations hub of Guam;
- The CNMI is a willing partner in providing the DoD the necessary open lands to be designated for this type of training;
- The CNMI has existing resources in both human capital and infrastructure to allow for constructing high-tech computer simulation training.

Logistics and Maintenance Support

Once a relationship is created by the CNMI to provide complementary support to the DoD Guam and Pacific region then logistics and maintenance contracts are more easily obtained. Once the DoD commits to utilizing the CNMI for complementary training operations and as an alternative for forward stocks and equipment location then the DoD will have specific need for maintenance and supply services for both equipment and military personnel.

Logistics and maintenance support services all share a common problem regarding transportation of goods and people in an economical manner for local CNMI contractors. Therefore it is recommended that the CNMI Military liaison creatively utilize situations to improve goods and services movement between the regional islands and the mainland United States. For instance, if the CNMI is providing complementary operational support training then there will be an opportunity to transport goods and equipment due to this training activity. Examples include: JLOTS training operations move equipment and supplies over unimproved ports. Flight hours training could provide transportation for local produced goods or people during training operations. Linking logistics and maintenance opportunities with agreed operations support may provide a low cost transportation alternative, lowering the cost for local CNMI contractors to provide the following goods and services:

1) Fuel Storage and Distribution

Fuel will be necessary to support complementary training operations within the CNMI. Fuel is also a strategic commodity for the DoD so it will be important for the DoD to have options to strategically spread out this commodity to ensure availability.



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CNMI Recommended Solutions:

- Offer fuel farms for future CNMI military training facilities;
- Offer alternate fuel farms to strategically support the DoD Guam.

Where in the CNMI can fuel storage and distribution be provided?

Saipan, Tinian, and Rota:

- Ports: Arial and Seaport.

Why should the DoD utilize the CNMI for this opportunity?

- The CNMI is in close proximity to the regional operations hub of Guam;
- The CNMI is a willing partner in providing the DoD the necessary open lands to be designated for this type of opportunity.

2) Water Storage and Distribution

Packaged water and ice production and distribution in support of DoD Guam and training operations is imperative. Potable water and ice provide a basic necessity to support military personnel during operational support activities.

CNMI Recommended Solutions:

- Provide water and ice from local CNMI companies;
- Offer storage facilities to maintain stocks.

Where in the CNMI can water storage and distribution be provided?

Saipan:

- Ports: Arial and Seaport;
- Warehouses;
- Cold storage facilities (may have to be constructed).

Tinian:

- Ports: Arial and Seaport;
- Warehouses (may have to be constructed);
- Cold storage facilities (may have to be constructed).

Rota:

- Ports: Arial and Seaport;
- Warehouses (may have to be constructed);
- Cold storage facilities (may have to be constructed).

Northern Islands:



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- Ports: Aerial and Seaport (may have to be constructed);
- Warehouses (may have to be constructed);
- Cold storage facilities (may have to be constructed).

Why should the DoD utilize the CNMI for this opportunity?

- The CNMI is in close proximity to the regional operations hub of Guam;
- The CNMI is a willing partner in providing the DoD the necessary open lands to be designated for this type of opportunity;
- Existing local contractor expertise.

3) Waste Removal and Processing

With the amount of military personnel predicted to be in the Marianas region there will be a great need to manage waste wisely. Waste services are an important piece of the stewardship requirements adopted by the DoD. The CNMI could provide waste removal services and benefit from the recycled products while utilizing combustibles to create energy.

CNMI Recommended Solutions:

- Provide landfill space;
- Provide recycle centers;
- Provide gathering and transportation services;
- Create a cogeneration energy plant that will utilize combustible waste for electric power generation – such as an incinerator turning steam turbines in a closed system.

Where in the CNMI can waste removal and processing be provided?

Saipan:

- Ports: Aerial and Seaport;
- Warehouses left over from garment industry;
- Designated lands for landfills.

Tinian:

- Ports: Aerial and Seaport;
- Warehouses (may have to be constructed);
- Designated lands for landfills.

Rota:

- Ports: Aerial and Seaport;
- Warehouses (may have to be constructed);



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- Designated lands for landfills.

Northern Islands:

- Ports: Arial and Seaport (may have to be constructed);
- Warehouses (may have to be constructed);
- Designated lands for landfills.

Why should the DoD utilize the CNMI for this opportunity?

- The CNMI is in close proximity to the regional operations hub of Guam;
- The CNMI is a willing partner in providing the DoD the necessary open lands to be designated for this type of opportunity;
- Existing local contractor expertise.

4) Food Handling and Distribution

Like water and ice, food is equally important to support military operations, requiring management, handling, preparation, packaging, and distribution or logistics.

CNMI Recommended Solutions:

- Provide Dry Storage for Meals Ready to Eat (MREs) and other packaged commodities;
- Offer field prepared meals for training operations;
- Provide catering and meal prep facilities dependent upon the level of support required to meet DoD presence in the region;
- Provide local grown produce, meat, and dairy products;
- Logistics and distribution services where required.

Where in the CNMI can food handling and distribution be provided?

Saipan:

- Ports: Arial and Seaport;
- Warehouses left over from garment industry;
- Local farmers.

Tinian:

- Ports: Arial and Seaport;
- Warehouses (may have to be constructed);
- Local farmers.

Rota:



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-
- Ports: Aerial and Seaport;
 - Warehouses (may have to be constructed);
 - Local farmers.

Northern Islands:

- Ports: Aerial and Seaport (may have to be constructed);
- Warehouses (may have to be constructed);
- Local farmers.

Why should the DoD utilize the CNMI for this opportunity?

- The CNMI is in close proximity to the regional operations hub of Guam;
- The CNMI is a willing partner in providing the DoD the necessary open lands to be designated for this type of opportunity;
- Existing local contractor expertise;
- Local agricultural products readily available.

5) Storage Facilities Maintenance and Security

Storage facilities that the CNMI may provide will range from open yard to dry and climate controlled warehouses. Each of these storage facilities will require maintenance and security depending on the contents being stored.

CNMI Recommended Solutions:

- Provide bonded security personnel;
- Provide facilities management;
- Provide facilities maintenance.

Where in the CNMI can we find such resources?

Saipan, Tinian, Rota, Northern Islands:

- Local contractors.

Why should the DoD utilize the CNMI for this opportunity?

- The CNMI is in close proximity to the regional operations hub of Guam;
- Existing local contractor expertise.

DoD Equipment Maintenance Support Opportunities

- 1) Depot Level: Complex, specialized technical services such as engine replacement and repair.**



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Maintenance facilities and services that the CNMI may provide could be for both sea and air type equipment. There are significant contracts being offered to retrofit or upgrade military equipment.

CNMI Recommended Solutions:

- Offer retrofit services for any military equipment;
- Provide mechanical repair expertise with the local human resources available.

Where in the CNMI can we find such resources?

Saipan, Tinian, Rota:

- Ports: Air and Sea.

Why should the DoD utilize the CNMI for this opportunity?

- The CNMI is in close proximity to the regional operations hub of Guam;
- Plenty of land space for Depot Level maintenance shops;
- Existing local contractor expertise.

2) Field Level: Emergency or low-tech services such as change oil or a tire in the field.

Supplying repair and routine maintenance services for military equipment during training operations in the CNMI would be an advantage due to locality.

CNMI Recommended Solutions:

- Offer field level maintenance services for any military equipment that is in the CNMI.

Where in the CNMI can we find such resources?

Saipan, Tinian, Rota, Northern Islands:

- Any location.

Why should the DoD utilize the CNMI for this opportunity?

- Very expensive to bring service technicians over from Guam for minor repair of equipment within the CNMI;
- Existing local contractor expertise available.

3) Electronic Maintenance: Specialized technical services such as electronics replacement and repair.



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Supplying repair and replacement services for electronic equipment could easily be a service the CNMI could provide as local warehousing and human resources are easily available.

CNMI Recommended Solutions:

- Offer electronic maintenance services for any military equipment in the Pacific region.

Where in the CNMI can we find such resources?

Saipan, Tinian, Rota:

- Ports: Sea and Air locations;
- Warehousing and buildings.

Why should the DoD utilize the CNMI for this opportunity?

- The CNMI is in close proximity to the regional operations hub of Guam and Pacific Region;
- Warehouse space available to house this type of operation;
- Existing local contractor expertise.

Quality of Life Services

Quality of Life (QOL) services is the softer side of support that the DoD offers its members. The fast paced, high stress life that many service members necessitates an opportunity to decompress in a semi-secure environment. **Morale, Welfare and Recreation (MWR)** activities along with **The Armed Forces Recreation Center (AFRC)** provide this much needed outlet. Each member service of the DoD provides some variation of this type of service and charges each of its base commanders and staff to ensure that these opportunities are provided to the Soldiers, Sailors, Airmen, Marines and their family members, providing an excellent opportunity for the CNMI to fulfill this need. The main issue regarding offering quality of life services is the travel costs to CNMI. Utilizing creative linking between operational support training activities may provide lower cost transportation for service personnel to and from CNMI.

1) Support Morale, Wellness, and Relaxation (MWR) activities.

The CNMI can provide different tourism packages that promote the healthy lifestyle the military encourages.

CNMI Recommended Solutions:



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- Offer tourism packages and discounts that play to the strengths of the CNMI while promoting a healthy lifestyle that includes exercise, fun, and relaxation.

Where in the CNMI can we find such resources?

Saipan, Tinian, Rota, Northern Islands:

- Hotels;
- Restaurants;
- Golf Courses;
- Water Activities;
- Historical Sites;
- Beaches;
- Nature preserves;
- Camping;
- Hiking and Rock climbing;
- Festivals and Culture.

Why should the DoD utilize the CNMI for this opportunity?

- The CNMI is in close proximity to the regional operations hub of Guam;
- Tourism is a staple offering of the CNMI.

2) Armed Forces Recreation Center (AFRC)

An AFRC provides a higher form of security for military personnel for rest and relaxation services. Currently there are five AFRC facilities around the world. The CNMI would be an excellent location to add a sixth to the AFRC community. Adding such a facility will elevate the awareness of the CNMI community, providing more tourism opportunity. On average most AFRC facilities are booked full, requiring reservations two months in advance, a good indication of their popularity.

CNMI Recommended Solutions:

- Offer hotel property and land along with maintenance and security services where needed.

Where in the CNMI could we put an AFRC?

Saipan, Tinian, Rota, Northern Islands:

- Existing hotels;
- Any designated land.



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Why should the DoD utilize the CNMI for this opportunity?

- The CNMI is in close proximity to the regional operations hub of Guam and Pacific region;
- Tourism is a staple offering of the CNMI;
- Existing hotels available.

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