

HOLD UNTIL RELEASED  
BY THE HOUSE ARMED  
SERVICES COMMITTEE

**STATEMENT OF**

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(ENERGY, INSTALLATIONS AND ENVIRONMENT)**

**BEFORE THE  
HOUSE ARMED SERVICES COMMITTEE**

**July 27, 2010**

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Chairman Skelton, Congressman McKeon, distinguished members of the Committee: I appreciate the opportunity to appear before you today to address the status of the Department's realignment initiative on Guam. I also appreciate the Committee's continued interest in our efforts to plan and execute this program. Ensuring that we get this right for both our military families and the people of Guam is a top priority.

The Department filed the Final Environmental Impact Statement (FEIS) for the Guam and Commonwealth of the Northern Mariana Islands (CNMI) military relocation with the Environmental Protection Agency (EPA) on July 23, and expects the Notice of Availability to be published on July 28. The FEIS is the culmination of over three years of studies and analysis that has resulted in one of the Department's largest and most comprehensive environmental impact statements.

We received over 10,000 comments during the 90-day public comment period on the Draft EIS. These comments focused on issues such as impacts to coral reefs, potential effects of the induced population growth on the Guam community, preservation of cultural resources, and many other issues. Addressing these issues has required a coordinated, interagency approach. Under the leadership of the White House Council on Environmental Quality (CEQ), the Department has worked with the federal resource agencies, the Government of Guam, and the Guam resource agencies to develop common resolution strategies and proposed mitigation measures. The result is that we now have an FEIS which paints a comprehensive picture of the environmental impacts of the Guam

military realignment and appropriately mitigates those impacts as well as addressing the concerns raised by the resource agencies and the public.

Of particular concern was the potential impact of a sudden population growth on the island's infrastructure and resources. The Department recognizes that Guam has existing infrastructure deficiencies that could affect the ability of DoD to execute the program on an aggressive construction schedule. Guam currently faces challenges with environmental compliance of its utilities, adequacy of its roadways, and availability of quality health care - to name a few concerns. It is imperative that a whole-of-government approach be implemented to improve Guam's existing infrastructure and prepare the island for a sustainable future that supports the buildup and a growing economy and population.

The Department is committed to addressing Guam's infrastructure needs for those issues directly related to the military buildup. Roadway, intersection and bridge upgrades are required to handle the flow of materials from the port to work sites. Through the Defense Access Road (DAR) program, DoD is working to identify, certify as eligible for funding, and consider in future DoD budgets needed improvements to roadways, intersections and bridges that are critical to executing the construction program. I would like to thank you for your support of the \$48.8 million in DAR funding in the FY2010 budget; we have requested an additional \$66.7million in FY11.

The Port of Guam requires near and long-term infrastructure improvements, and as the point of entry for construction materials and supplies, the port is a critical enabler to the execution of this program. Thank you for your support of the President's request to make \$50 million available for critical upgrades to the port. These funds, when combined with a matching loan from the U.S. Department of Agriculture, will fund necessary upgrades and improvements to materials-handling processes which will enable the Port of Guam to sustain the expected \$1.5-2.0 billion per year in construction volume.

As stated in the Realignment Roadmap, the Government of Japan will provide \$740 million for utilities upgrades, expansion, and development associated with the Marine Corps relocation. Analysis of utilities options has indicated that developing new, stand-alone systems are not cost-effective. We have worked with the Government of Guam and its utilities providers to provide the highest priority for projects requiring improvements. The Japanese funds will be used to upgrade Guam power systems, water systems, and wastewater treatment plants which are critical to supporting the off-island construction workforce necessary to execute the program.

Recognizing existing infrastructure limitations, we fully understand that impacts to the island's infrastructure must be considered before they occur. Using what we call "adaptive program management", the pace and sequencing of construction will be adjusted to stay within the limitations of Guam's utilities, port, roadways, and other systems. We will stand up a "Civilian Military Coordination Council" comprised of the military, federal agencies, and Guam agencies to coordinate and monitor the impacts to

various resources and provide recommendations if and how the pace will be adjusted. It is our intent to continually look for ways to mitigate any potentially adverse effects on Guam or its people.

### ***Conclusion***

We continue on our path to achieving a Record of Decision in early September 2010, which will allow for construction to begin in FY2010. Our acquisition strategy will allow us to immediately award contracts for FY2010 and, once authorized and appropriated, FY2011 projects included in the President's Budget request. By working together with our federal agency partners and Guam's leaders, we will ensure that the island is able to handle this major construction effort. We remain committed to addressing the challenges associated with developing facilities and infrastructure on Guam in a manner that makes our forces part of the wider Guam community.

In closing, Mr. Chairman, I sincerely thank you for this opportunity to discuss the Department's efforts to execute the Guam military realignment. We share your emphasis on the paramount importance of ensuring that there is "One Guam" and that the relocating Marines, their families, and the people of Guam benefit from the realignment. We appreciate your continued support, and we look forward to working with you as we further transform plans into actions in support of a realigned and enhanced U.S. posture in the Pacific.