



TERRITORY OF GUAM
OFFICE OF THE GOVERNOR
AGAÑA, GUAM 96910
U. S. A.

EXECUTIVE ORDER NO. 98-10

**RELATIVE TO GOVERNMENT OF GUAM
DEPARTMENTS AND AGENCIES USING SERVICES OF
THE GUAM SHIPYARD.**

WHEREAS, the United States government and the U. S. Navy have taken action to downsize the military presence of the Navy on Guam, including the closure of the Naval Ship Repair Facility (SRF) as a facility operated by the Navy, thus making those facilities available for use by the government of Guam and the private sector of Guam; and

WHEREAS, the Navy and the government of Guam have entered into an interim lease agreement that allows the government of Guam to make productive use of the Naval Ship Repair Facility (SRF), which was closed by action of the federal Base Realignment and Closure Commission (BRAC); and

WHEREAS, the government of Guam has subleased the former SRF to Xeno Technix, Inc., dba Guam Shipyard, to perform ship repair and related industrial work in an effort to diversify Guam's economy and to hire former federal civil service employees displaced by the Navy's base closure and downsizing actions; and

WHEREAS, the Guam Shipyard is pursuing all sources of workload including repair of Navy ships under the Military Sealift Command, repair of commercial container vessels, repair of smaller fishing vessels and tugs, refurbishment of ships under the military Foreign Sales Program, and private and public sector work within the capabilities of the shipyard; and

WHEREAS, the Guam Shipyard is licensed to do business on Guam and maintains an office on Guam and is therefore eligible for the 15% local procurement preference as stated in §5008 of Title 5, Guam Code Annotated; and

WHEREAS, Xeno Technix, Inc. has committed to hiring between 150-250 local employees during the first year of the lease and will hire additional employees depending upon the shipyard's workload; and

WHEREAS, it is in the public interest to utilize the services of the privatized SRF to the maximum extent allowable by Guam's procurement laws in order to create a viable and sustainable industry; and

NOW, THEREFORE, I, CARL T. C. GUTIERREZ, Governor of Guam, by virtue of the authority vested in me by the Organic Act of Guam, as amended, and the laws of Guam, do order:

All government of Guam departments and agencies shall:

- (a) become familiar with the services provided by the Guam Shipyard; and



- (b) endeavor to procure services from the Guam Shipyard to the maximum extent allowed by law; and
- (c) ensure that the Guam Shipyard is given the opportunity to submit bids or proposals for services required by the departments and agencies that can be performed by the Guam Shipyard.

SIGNED AND PROMULGATED at Agana, Guam this 13th day of February, 1998.

CARL T. C. GUTIERREZ
Governor of Guam

COUNTERSIGNED:

MADELEINE Z. BORDALLO
Lieutenant Governor of Guam