

MONDAY, FEBRUARY 15^{1H}, 2010 ,10:00 AM. LEGISLATIVE SESSION HALL.

"FINISHING STRONG"



STATE OF THE ISLAND ADDRESS By the Honorable Felix P. Camacho

Governor of Guam February 15, 2010 Finishing Strong

Hafa Adai, buenas dias, and good morning.

Today I come before you to deliver my last State of the Island address.

Lt. Governor Cruz, Speaker Won Pat, Chief Justice Torres; former governors; members of the Consular Corps; Senators; Attorney General Limtiaco; Public Auditor Brooks; Archbishop Apuron and members of the clergy; Justices and Judges; Mayors and Vice-Mayors; members of the elected boards and commissions; members of the military; my wife, First Lady Joann Camacho and my mother, former First Lady Lourdes Camacho, Honored guests and my dear people of Guam, thank you for giving me this opportunity.

These past years have been marked by sacrifice and bravery beyond our imagination... Our country is at war and many of our people are actively serving our nation in the on going fight against terrorism.

Guam has lost 17 sons, fathers, brothers and friends in this war. I would like to ask that you join me in a moment of silence to honor these sons of Guam who have made the ultimate sacrifice for their island and our nation. Thank you.

We pray to God that all of the brave soldiers who selflessly put themselves in harm's way for our freedom will come home safely. Our Lt. Governor has just returned from Afghanistan, where he was deployed for the third time in the Middle East. We warmly welcome back our Lt. Governor, Colonel Mike Cruz home and are grateful for his safe return.

Since this will be my last State of the Island, which may be cause for celebration amongst some of my friends in the Legislature.

I want to talk about what we have accomplished in the last seven years and define what this administration will be remembered for.

In January 2003, I raised my right hand and swore to serve you. I remember the circumstances I found myself in when I took office.

I recall taking my oath by candlelight amid the destruction of typhoon Pongsona. Much of our island was devastated; it was not a time of prosperity.

I reflect on a scripture that I found encouraging, Jeremiah 29:11, which reads "I know the plans I have for you, declares the Lord, plans to prosper you and not to harm you, plans to give you hope and a future."

And there was hope. Confident expectancy that regardless of what happened in the past, by the grace of God, we would turn our setbacks around and tragedy would turn into triumph as we would tackle some of the most difficult issues our government has ever faced.

When I look back on how far our island has come in the last seven years, I am proud of our many accomplishments.

Stewardship defined our calling. I have been honored with an incredible responsibility - to care for our island and her people, and to lead both towards opportunities that improve our quality of life. I am also grateful to two men who have served with me as Lt. Governor: Kaleo Moylan and now, Dr. Mike Cruz.

I firmly believe that at the end of my term, I will turn the reigns of our island and our government over to the next Governor in much better condition than it was given to me.

These past years have been exciting and challenging, but through hard work, creative solutions, and a strong faith in what we could accomplish together, we have taken enormous strides forward.

In the beginning, our economy was burdened with a multi-million dollar deficit and high unemployment. Tourism, our number one industry was suffering major losses in visitor arrivals due to an Asian economy in crisis, the attacks of 9/11, a series of terrible typhoons, and SARS.

The situation was bleak, but "Forgetting what is behind and straining toward what is ahead, I press toward the goal..."

We resolved to work harder and go the extra mile. To find solutions for the tough situations that faced our island. We set the cornerstone and laid the foundation for the future.

We have pursued creative and innovative programs and federal compact impact money to maximize our limited resources. Through municipal leasing, we built Okkodo High, Astumbo Middle, Liguan and Adacao Elementary schools. GPA hardened their infrastructure by placing power lines underground. Our power system is more secure than it has ever been with capacity double the current demand.

We privatized the Guam Telephone Authority and outsourced multiple government operations to improve the delivery of services, created the Bureau of Information Technology bringing our government to the Information Age, seen great success with our youth in the Passports to Careers program and so much more.

We've undertaken millions worth of construction projects around the island; improving roads so that it's safer for our residents. We've expanded our airport's runways and taxiways and improved our water and wastewater systems – today our water is the cleanest and safest it has been in decades.

We've built a skate park and youth and senior citizen centers throughout the island. We're completing the Guam Heritage Walking Trail, and the Guam Sports Complex in Dededo which boasts soccer fields, and will soon include a swimming pool facility, fitness trail, four baseball fields and tennis courts. This investment promotes a healthier community, and is in line with the Lt. Governor's Healthy Guam Initiative.

We've invested in apprenticeship programs to prepare our people for higher paying jobs. With the help of private developers we constructed affordable housing for our families using the low income housing tax credits. We've developed essential modernization and infrastructure plans for our seaport and highway transportation.

We've partnered with shipping companies to secure three gantry cranes and gained federal designation as a U.S. Strategic Port. We now await approval of a TIGER grant and a USDA RD loan for a combined \$100 million that will allow us to continue fulfilling the vision of our seaport.

In the area of safety, we've constructed the Northern and Tumon Police Precincts, Dededo and Barrigada Fire Stations, and opened two GPD kobans in the villages of Mangilao and Yona. This year, we anticipate the completion of our Southern Police Precinct and the Agat-Santa Rita Fire Station.

We've added vehicles, motorcycles, equipment and training that has re-enforced our officer's ability to serve and protect our community.

We now have a Regional Forensic Crime Lab facility to enhance our abilities to investigate and solve crimes.

Protecting the safety of our citizens and visitors cannot be done on one front alone. We became a charter member of the Guam Bio-Security Task Force to combat invasive species from entering our island. This task force is the first collaborative effort of its kind in the nation.

The first Detector dog Training Academy on Guam has been instituted to protect the community from illegal and harmful substances.

We've upgraded and expanded our Emergency Operations Center at Civil Defense, which was successfully put to the test during recent storm scares, tsunami threats, and the H1N1 outbreak.

This is not just list of accomplishments; it's the fulfillment of our commitment to serve our people.

I couldn't have done it without my cabinet that stood by me and pushed to fulfill the vision, or the hard-working men and women who were diligent in their work, big or small.

Our government is substantially under-funded yet we have made significant improvements to our island's financial status. We've implemented measures to help bring us closer to fiscal recovery.

We've recovered millions of dollars through repeal of the Visible GRT, the Dave Santos Act amendment, increases to specific department and agency fees, and various pre-military buildup construction activities.

For the first time in our government's history, we received a clean audit and maintained that status the following year – proving that this administration has been accountable.

We've had tremendous success in the bond market.

Since our nation's economy began this downward trend, bond issues of this magnitude have not been sold by governments in our rating category.

Our efforts over the years to establish cash management, spending priorities and maximize federal dollars paid off. We upgraded our island's credit rating and impressed investors with our story of fiscal recovery and accountability.

In the end I signed a \$202.4 million bond for construction of the new landfill and a \$271.1 million bond that paid for outstanding tax refunds, COLA payments, hospital projects and past due contributions to our Page 3 of 11

retirement fund, bringing closure to some of the largest outstanding financial obligations of our government.

These major accomplishments started with implementation of strict expenditure controls that became permanent policy government-wide.

Over the years we've done more with fewer resources.

Although I may never get to shake the hand of every employee of this government, I want you to know we are grateful for your sacrifice and service to our community. You are truly public servants.

A hospital that is mandated to welcome and care for all, even those without the ability to pay, is bound to face challenges. Despite these challenges we are closer than ever to achieving full accreditation for our island's hospital, a status we have not had for the past 26 years.

For this, I want to thank Lt. Governor Mike Cruz for his leadership and vision, and all the hard working men and women of GMHA who remain dedicated to providing exemplary care for our people.

Our hospital has also received a clean financial audit for the past three years and during that time, several facility improvement projects were completed, including an enclosed lobby area.

To better accommodate our growing population in the north, we expanded the Northern Community Health Center, and our southern residents can look forward to a newly renovated clinic soon.

In response to the Avian Flu scare, we created the Pandemic Influenza Planning Task Force, and by 2008, had adopted a nationally recognized response plan. Last year, when the H1N1 Influenza Virus threatened our community, that plan was put to the test and helped us navigate through an uncertain time.

I want to commend the Department of Public Health and Social Services for their dedication to our people.

At the Department of Mental Health and Substance Abuse, we have recruited and retained qualified psychiatrists, psychologists, social workers, and nurses.

We repaired the agency's fire suppression system, re-opened the children's inpatient unit and reduced the agency's outstanding financial obligations.

These steps have improved the quality and environment of care for some of our most vulnerable citizens.

With the assistance of the Substance Abuse and Mental Health Services Administration, our consumers, and other stakeholders, this agency is working to reprioritize and expand services.

While some have their eyes set on taking over mental health services, we are determined to maintain ownership, not receivership.

Over the years, our public education system has made headlines, both good and bad.

Yet, the education of our children is the responsibility of our entire community, not just the department of Education. We are all responsible for giving the gift of education, to enrich the lives of our children.

However DOE is the center of attention, responsible for nearly 30,000 students, 41 schools, and thousands of employees that operate within a government structure that is inherently cumbersome and inefficient.

Years of legislative laws and education policy have taken DOE from one extreme to another. DOE is challenged daily to meet its mandate to educate our children.

In response to this, the education community has gathered over the years to find solutions and help shape policy that would improve education. But change has been slow amidst a politically charged environment and our children have suffered for it.

We worked to give the JFK Islanders a temporary home in Tiyan; we fixed our schools deficiencies to allow them to reopen; we worked with all of you to pass Charter School Legislation, and I recently signed a bill allowing classified, technical experts to help DOE improve their financial effectiveness and improve personnel efficiency.

Unfortunately, the problems at DOE are chronic and systemic.

There is an elected policy board, a superintendent and multiple administrative positions. But when trouble arises, the governor is blamed even though all authority for education rests within DOE.

A few weeks ago I met with our JFK community. I could not tell them what they wanted to hear: that I will build JFK and build it now. I saw the look of disappointment in their eyes...and heard it in their voices.

Our JFK students, teachers, staff, alumni, and parents do not care about our excuses or our explanations. They simply want us to bring the JFK Islanders home.

The construction of a new JFK cannot take place yet because there has been a lawsuit filed by one of the bidders.

I have said that our administration does not run or hide from tough situations and we are not about to start.

We will stay the course.

The Public Auditor has affirmed the procurement process and we hope for a favorable decision without further litigation, so we may break ground and bring the Islanders home.

While our public school system continues to face challenges, our institutions of higher learning are evolving into regional leaders in education.

The University of Guam and the Guam Community College continue to improve their facilities, expand their programs, secure accreditation and welcome record high enrollment every year.

With infrastructural improvements and technological upgrades happening throughout the campus, GCC continues to add to the institution's success with the opening of the new Allied Health Center and the upcoming completion of the new Learning Resource Center.

UOG also reaffirmed its commitment to education by securing a 5-year, \$8 million grant from the National Institutes of Health to support studies aimed at understanding the reasons behind significant cancer disparities and the impact on minority populations.

Our post secondary students are contributing to our environment, our health care, our land programs, and economy.

We commend the leadership of these institutions...we are proud of the work you are doing.

Very soon, \$107 million in federal stimulus dollars will assist in the modernization of all our public schools, including UOG and GCC.

Six hundred individual projects will be completed in the next year. These projects will create a better learning environment for our children, and create new jobs and opportunities for local businesses.

We have worked closely with the federal government to develop a combined Guam/CNMI Visa Waiver Program, which would allow Guam to pursue new visitor markets from China – a country with the fastest growing number of outbound travelers in the world.

We have remained true to our core visitor markets in Japan and Korea, but have approached promoting our island from a new angle.

We recognize that culture plays a critical role in attracting today's visitors and thus created a new Guam Brand to capitalize on our unique culture.

For the first time in years we are seeing our tourism numbers increase in a very competitive market.

Our geographical location has prompted Guam to become an international hub -for transportation, commerce, telecommunication, and more which has benefited both tourism and our economy.

Our community has grown in to a "melting pot" of ethnicities, resulting in a diverse and dynamic multicultural society.

We enjoy positive relationships with our military neighbors in the Navy, Air Force, National Guard and Reserve, welcoming them as full-fledged members of our community.

We host a great many business and civic organizations, people who volunteer their time and money to benefit the less fortunate.

Guam has a well-earned reputation for its hospitable people, whose friendliness and generosity extends beyond our shores.

My administration has placed great emphasis on the importance of developing and maintaining relationships.

By participating in the Micronesian Chief Executives Summit, we have solidified and built upon our relationships with the Republic of Palau, the Federated States of Micronesia, and the Marshall Islands.

Over the last seven years, our ties to our brothers and sisters in the neighboring islands of the CNMI have become closer than ever. As we recognize the combined strength of the Marianas Islands on matters of mutual interest and benefit, Guam and the CNMI should once again seek reunification.

As one Marianas, with greater representation and inclusion as American citizens, we will only strengthen our people and communities.

Our island is in a state of anticipation. Today, the United States has selected our island to be at the center of our nation's security in Asia. This agreement between Japan and the United States has on the one hand spared our economy from the full weight of the economic depression that has swept our nation, and on the other hand caused some of our people to fear the changes proposed within a short period of time.

I have heard the voices of our people and listened to their concerns.

Let there be no misunderstanding – this government is determined to ensure the military buildup is good for Guam.

Guam has given more lives and land per capita in defense of freedom than any state in our country. Our patriotism is unquestionable. We have paid much, and yet much more is being asked of us.

In the past the federal government has assured me, that this buildup will be good for Guam, creating employment for our residents and strengthening our economy.

I acknowledge the buildup will spur economic growth, but it will also impact our environment, and create financial, social and cultural challenges. While we anticipate the benefits, we must ensure there is a balance.

Guam will play a critically important part in the US-Japan alliance, which for 50 years has allowed for peace, stability, and prosperity in this region.

8,000 Marines and 9,000 dependants will move here, 10 billion dollars will be spent building a new base, and the landscape will be transformed. Life as we know it will be changed forever and we must ensure that we protect our environment, manage our limited resources, and preserve our culture.

Uncertainty about to the US-Japan agreement remains, and final decisions have yet to be made by DOD.

However both of these sovereign nations must be considerate of the host, Guam, and its impact throughout our community, both positive and negative.

It is imperative that the buildup is done correctly.

Like many of you, I have raised my children here, and this is the place my grandchildren call home. We all want safer streets, an improved educational system, and a job market that allows our people to better support their families.

Though we may never agree on everything, these common goals are what unite us and I believe they are greater than what divides us.

While our plans are ready to be implemented, we cannot succeed without proper funding.

I've said it in Washington D.C. and during village workshops, I've said it during media interviews and I will say it again today--the people of Guam simply do not have the financial capacity to fund what is required for our nation's defense. Without the financial commitment from the federal government to put plans into action, this buildup will not benefit the people of Guam.

My friends, I stand before you a proud Chamorro American. We have seen our brave Guamanian sons and daughters fight abroad and die in battle under the United States Flag. We have more veteran sons and daughters than most small counties across the entire United States of America.

We are a proud and patriotic people; we are a proud and patriotic island.

That is why, when it comes to the military buildup, make no mistake:

The people of Guam are not asking for free handouts,

The people of Guam are not asking for special treatment,

The people of Guam are simply asking for what every good American should ask for:

That the buildup ahead benefits both the American patriot inside the fence and the American patriot outside the fence, the people of Guam.

Hundreds of our residents have made their voices heard regarding the Draft Environmental Impact Statement. I am proud of our community, most especially, our young people for the role they have played in this process.

While there are too many comments to mention, they have prompted me to make the following recommendations:

First, the federal government must commit to fund the government of Guam's buildup needs. Without this commitment, we cannot fund the necessary infrastructure enhancements, strengthen delivery of our health and social services, or increase the capacity of our regulatory agencies without placing undue burden on our people.

Secondly, the build-up timeline must be extended beyond 2014. By attempting to force so much so quickly, we may create problems that need not exist. I have requested that the buildup's period of construction be extended to reduce the impact it will have on our island. Delay is not denial.

And finally, the Department of Defense must reevaluate their plans and placement of the firing range and proposed dredging of Apra Harbor.

I will not support the condemnation of our Ancestral or Chamorro Land Trust properties.

The trust was established to bring justice to families of Chamorro descent who were displaced or left landless by the federal government. To date, thousands of acres of ancestral lands have been returned to thousands of original landowners. Condemning these lands for the military's use goes against the intent of our government's effort and I will not support it.

Throughout the past four and a half centuries, our people have adapted to changes that have been thrust upon us.

Culture is dynamic, adaptive and vibrant, as evidenced in our language, beliefs, and practices. We have retained important aspects of our culture that we cherish; our social values, respect for elders, love for family, and our faith in God.

Today our artisans, musicians, cultural dancers, and navigators have drawn upon their creative imagination and interpretation of who we are as a people, and through their God given talent, they proudly share it with all.

There has been a revival of our identity and place in this world.

Since the landing of Ferdinand Magellan in 1521; events throughout history have caused us to lose much of what is ours by birth.

Archeological findings have confirmed that as far back as 4,000 years ago, our island was inhabited by our ancestors.

Imagine our ancestors sailing across the vast ocean, starving and exhausted, and sighting this emerald island, declaring "Guaha" – we have!

For well over 300 years, this speck of 212 square miles of land in the middle of the ocean had a name of meaning, of substance, and of value to its inhabitants.

GUAHAN, which means, "we have." It implies a place of resources, a place that has food and water, a place of gathering. Guahan is all-inclusive.

In 1898, the United States assumed control of the island as a result of the Spanish-American War. In the Treaty of Paris, the island was officially referred to as the Island of Guam.

On Feb. 23, 1900, the first Naval Governor, Richard P. Leary, requested that our island's official name be designated the "Isle of Guam."

Now, 110 years later, and in recognition of all legal documents that refer to our island as Guam. As a native son, and as the elected Governor of our people, I hereby request that we reclaim our indigenous name of Guåhan.

Today, I will submit legislation and I'm calling on our legislature, our congresswoman, and you the people to join me in taking all necessary legal action to formally change the name of our island from Suam to Guåhan. The name used for hundreds of years by our ancestors.

As we quickly move in to this time of rapid growth and development, that may forever change our island, our sense of identity, family, and place - it is important that we reaffirm our identity as a people.

Juåhan means, "We have" - and we have the right to do so.

think often of my father, Carlos Garcia Camacho. Forty years ago he was the last governor appointed by he President of the United States and the first elected by our people.

I wonder what he would think of the work we have done while Guåhan has been in our care these past seven years. I believe he would be proud.

I think of myself, Lt. Governor Cruz, and my entire administration as servant leaders and builders who have laid set the cornerstone and laid down a strong foundation upon which our island will continue to be built.

Like my father, being governor is not about position but the empowerment we give – that makes a difference to others.

We are leaving a legacy of stewardship, sacrifice and faith in God and we are leaving an inheritance of a vastly improved infrastructure for our children, our future leaders and our community. We will leave it better than we found it.

The years ahead will be challenging but prosperous for all of us because I have seen in our people the desire to turn willingness into action, vision into reality, and passion into responsible and positive change.

To my cabinet members and staff: I believe Sir Isaac Newton said it best when he said, "If I have seen farther than others, it is because I was standing on the shoulders of giants." Thank you for your selflessness, hard work, and dedication to our people. It has been an honor to have served with all of you.

2 Timothy 4:7 says, "I have fought the good fight, I have finished the race, I have kept the faith." We will finish strong!

Lt. Governor, Jennifer, and family, thank you for serving with me. Dr. Mike, as a surgeon, colonel, husband and father, you're a busy man. I'm sure you're use to answering the call to serve, but I want to thank you for answering the call to serve our people and our island with me. We've been a great team. You've been a great Lt. Governor.

I have been blessed with the unconditional love and support of my family, who have endured the heavy burden this responsibility placed on our lives. To my wife, Joann, your enthusiasm and energy invigorate me daily. It is in all of you that I find the love, encouragement and inspiration to keep going. I love you all.

And finally to my dear people of Guåhan, I am as humbled today; as I stand before you giving my final State of the Island Address, as I was the day you elected me to lead.

I have been very proud to serve as your governor and I thank God for His guidance, strength, grace and mercy over these two terms. I firmly believe that God watches over our island and our people. I have taken great comfort in that belief, especially when times have been tough or difficult decisions have had to be made.

It has been a great honor to be your governor for two consecutive terms. Rest assured history will look favorably on the good work we have done together in service to the people of Guåhan! Glory be to God!

Thank you, Si Yu'us Ma'ase, and God Bless Guåhan.