

DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION

WASHINGTON, D.C. 20590



21 September 1972

Mr. Adrian L. de Graffenreid  
Legal Advisor to the Office for  
Micronesian Status Negotiations  
Office of the Secretary  
Department of the Interior  
Washington, D. C. 20240

Dear Mr. de Graffenreid:

Your letter of 28 August 1972 to Mr. Shaffer was referred to this office for reply. We have referred in part to a study entitled, "Trust Territory of the Pacific Islands Aviation Systems Study," 23 November 1971, as a basis for the cost estimates provided (enclosure). The cost estimates shown herein were provided by our Pacific Regional Office and should be considered initial or "first cut" estimates, subject to revision on the basis of different assumptions or service options.

The FAA considers it feasible to participate in the provision of services to Micronesia. The growth of civil aviation in the area, the lack of any realistic surface transportation, and the anticipated growth of tourism make a basic air transportation system highly desirable to the proper economic growth in the Micronesian area. The exact authority under which the FAA could provide the services will depend largely on the type of status agreement reached or the resulting political status afforded to these Islands. We are currently able to provide services to other nations under the provisions of the Foreign Assistance Act or the International Aviation Facilities Act; and to other federal agencies under Section 302 (K) of the Federal Aviation Act of 1958 or the Economy Act. The Trust Territory is presently eligible for Government assistance under the Airport Development Aid Program. The provisions of the Federal Aviation Act can be extended in full or in part to the Trust

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Territory by Executive Order pursuant to Section 1110 of that Act and this was proposed in the Trust Territory of the Pacific Islands Aviation System Study. We assume that any change in the political status of the Trust Territory will be accomplished by appropriate action with the United Nations or through legislation. Such action could spell out more specifically the basis for furnishing the needed aviation assistance. In any case, however, FAA has the authority to furnish services to the Trust Territory, or the resulting new political instrumentality, on a reimbursable basis subject to a Memorandum of Agreement between the FAA and that new entity.

The cost figures were developed based on the following assumptions:

1. The existing communications systems now in operation throughout the Trust Territory will continue with relay capability available at Saipan.
2. The required housing for FAA personnel and new facilities (FSS) will be provided by the Trust Territory district or land will be made available for FAA construction of required building.
3. Overall supervision and planning will continue from the FAA Pacific-Asian Regional Headquarters in Honolulu.
4. Required facilities, such as sewerage, water and power, will be provided by TTPI district.
5. The demonstrated technical capability of the local people to maintain and operate the type facilities needed so that they can provide necessary staffing locally--supplemented only by an initial training program plus continued FAA supervision (as with our own system).

The enclosed cost estimates have been prepared to reflect first year, second year, and recurring annual costs for each of the following situations:

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1. Provide FAA Services Only. This section assumes that each district will provide the on-site facilities listed in the Trust Territory Study (i. e., Flight Advisory, including weather reporting and Visual Approach Slope Indicator (VASI). Cost estimates shown are for the Pacific Region providing technical assistance, for each district, in the areas of Airport, Flight Standards, Air Traffic, and electronic maintenance services. Cost for FAA providing on-site, on-the-job training, for a period of two years, has been included to provide technical training of local district personnel, in the areas of Air Traffic and electronic maintenance. Cost for all of these services is estimated at \$459,869 for the first year, \$431,103 for the second year, and \$169,023 for each succeeding year.

2. FAA Establishment of FSS and VASI Facilities. This section assumes that FAA will be requested to complete installation at each district airport of a FAA standard part-time manned Flight Service Station (FSS) and Visual Approach Slope Indicator (VASI). Costs are estimated at \$922,500 for the first year (or year of installation) with supply support annual cost of \$67,500 for each of the succeeding years.

3. New Facilities. Future Requirements. This section includes cost estimates for FAA establishment of facilities not included in the TTPI Study, but dependent on future requirements could be installed selectively or at each district airport. One-time establishment costs for these facilities are \$375,000 for VORTAC (Dual), \$160,000 for VHF/DF, and \$250,000 for ILS (Single Equip.).

We hope that this information will assist you in preparations for the next round of negotiations. This letter, of course, cannot be taken as a commitment by the FAA to furnish services or assistance, since that would have to be considered in light of the particular circumstances existing at the time a request is received. We will be glad to provide any additional information you may require in the future.

*Milton B. Meisner*  
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Enclosure

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