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(ISLEY FIELD PROGRESS)

SAIPAN, APRIL 18 (MNS)---MARIANAS DISTRICT ADMINISTRATOR FRANCISCO C. ADA BRIEFED REPORTERS ON THE PROGRESS OF THE SAIPAN INTERNATIONAL AIRPORT, SCHEDULED TO BE OPEN BY THE MIDDLE OF NEXT YEAR. ADA TOLD REPORTERS THAT BIDS FOR THE CONSTRUCTION OF THE TERMINAL BUILDING WILL BE ADVERTISED NEXT MONTH TO ANY INTERESTED BIDDERS. THE BIDS WILL BE OPENED JUNE THIRD.

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AT THIS TIME, ADA SAID THE DISTRICT GOVERNMENT HAS MONEY TO CONSTRUCT ONLY THE ARRIVAL BUILDING, THE PARKING LOT (UNPAVED) AND FOR GENERAL SITE WORK. THE DISTAD EXPLAINED THAT THE PROJECT WAS BUDGETED SINCE FISCAL YEAR 1970 FOR THE TRUST TERRITORY GOVERNMENT TO REHABILITATE THE WORLD WAR II 8700 FOOT BOMBER STRIP. IT WAS LATER FOUND HOWEVER THAT THE FIELD COULD NOT MEET MINIMUM FAA SPECIFICATIONS WITHOUT MAJOR WORK WHICH WENT FAR BEYOND THE \$2 MILLION BUDGET. THE TT GOVERNMENT THEN APPLIED FOR FAA AID. MOST OF THE FUNDS BUDGETED WILL BE USED ON THE RUNWAY AND ASSOCIATED AREAS, WORK WHICH IS NOW CONTRACTED TO THE AMERICAN INTERNATIONAL CONSTRUCTORS.

WHEN THE ENTIRE AIRPORT IS COMPLETED, BOARDING PASSENGERS EXPECTED IN 1975 ARE 130,000, THE SAME NUMBER OF PASSENGERS ANNUALLY THAT GUAM IS NOW RECEIVING. THE SAIPAN INTERNATIONAL AIRPORT, WHEN COMPLETED, WILL BE CAPABLE OF HANDLING THE LARGEST COMMERCIAL AIRLINERS. THE TOTAL COST OF THE ENTIRE PROJECT IS AN ESTIMATED \$6,000,000.

ALSO PARTICIPATING ARE: SEREMEA ARNOLD, DISTRICT REVENUE OFFICER FOR TRUK DISTRICT; LYNDON P. ABRAMHAM, DISTRICT REVENUE OFFICER, PONAPE; ABINMELEK LANG, DISTRICT REVENUE OFFICER, MARSHALLS; AND JORLANG ISAAC, TAX REVENUE OFFICER OF EBeye.
THE CONFERENCE IS DISCUSSING THE TT REVENUE DIVISION'S GOALS

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ACCORDING TO THE DISTAD, AFTER THE CONTRACT HAD BEEN LET \$900,000 OF THE THREE MILLION BUDGETED FOR WAS LEFT, TO FUND A TERMINAL FACILITY WHICH HAD BEEN PRICED AT \$3 MILLION. THE MARIANAS DISTRICT ADMINISTRATOR WAS FORCED TO EXPLORE OTHER COMMERCIAL FUNDING. "WE SAW A POSSIBLE REVENUE SOURCE IN A DUTY-FREE STORE, RENTAL OF PRIME AIRLINE, TICKET OFFICE AND FREIGHT SPACE," THE DISTAD SAID, "AS WELL AS OTHER RENTALS, SUCH AS RENT-A-CAR, FOREIGN CURRENCY EXCHANGE AND MANY OTHERS; SUCH AS LANDING FEES, FUEL TAX, ETC."

THE DISTAD THEN HAD SEVERAL MEETINGS WITH THE AIRLINE REPRESENTATIVES AND BUSINESSMEN TO CHECK ON POSSIBLE REVENUE SOURCES. ACCORDING TO THE DISTAD, OF THE SEVEN BUSINESSMEN THAT ATTENDED THE MEETING, FOUR INDICATED AN INTEREST, OF WHICH TWO ARE LOCAL BUSINESSMEN. THE BUSINESSMEN REPRESENTED WERE JOSE C. TENORIO ENTERPRISES (JOETEN); NANNY VILLAGOMEZ ENTERPRISES; JONES AND GUERRERO OF GUAM; DUTY FREE LIMITED, HONG KONG; BANK OF AMERICA; BANK OF HAWAII AND FIRST NATIONAL CITY BANK. THEY INDICATED INTEREST IN THE PRIME CONCESSION WHICH WILL INCLUDE THE CONSTRUCTION OF A RESTAURANT, BAR AND DUTY-FREE STORE. THEY WERE BRIEFED ON THE AIR TERMINAL FACILITIES PLAN WHICH CANNOT NOW BE BUILT BECAUSE OF SHORTAGE OF FUNDS. THE DISTAD INDICATED HE WANTED A MICRONESIAN BUSINESSMAN TO WIN THE BID.

THE PRESIDENT OF NAURU HAS SENT A LETTER TO THE DISTAD INDICATING HIS DESIRE TO INVEST \$2 MILLION IN THE AIRPORT. OTHER FINANCIAL INSTITUTIONALS ALSO INDICATED WILLINGNESS TO HELP IN FINANCING THE CONSTRUCTION OF THE ENTIRE TERMINAL.

THE DISTRICT ADMINISTRATION PROJECTED THAT THE MOST MONEY WOULD BE GENERATED OUT OF THE DUTY-FREE CONCESSION. WITH THE SIGNING OF THE BILL WHICH WILL PROVIDE FOR THE ESTABLISHMENT AND OPERATION OF DUTY-FREE RETAIL CONCESSIONS IN OFFICIAL PORTS OF ENTRY IN THE TRUST TERRITORY, THE BILL ALSO GIVES AUTHORIZATION TO RETAIN THIS REVENUE WITHIN A LOCAL "ENTERPRISE FUND" WHICH WILL SUPPORT THE AIRPORT. THE BILL ALSO PROVIDES AUTHORIZATION "TO DEMAND AND RETAIN ADVANCE CONCESSION FEES OF \$1 MILLION FOR THE PURPOSE OF FUNDING THE CONCESSION AND OTHER TERMINAL BUILDINGS IF NECESSARY," THE DISTAD SAID.

OTHER FEATURES ARE THAT THE CONCESSIONAIRE WILL BE EXEMPT FROM GROSS REVENUE TAXES, DISTRICT, MUNICIPAL LICENSE, AND PERMIT FEES. THE CONCESSIONAIRE WILL PAY A BUSINESS PRIVILEGE FEE OF THREE PER CENT TO THE CONGRESS OF MICRONESIA AND A MINIMUM OF SEVEN PER CENT TO THE DISTRICT OF GROSS SALES.

THE DISTAD ALSO SAID IN THE TWO-HOUR PRESS CONFERENCE THAT THE GOVERNMENT INTENDS TO ESTABLISH AN AIRPORT AUTHORITY OR AGENCY TO DIRECT THE AIRPORT, USING A BOARD OF DIRECTORS FRAMEWORK, PROBABLY CONSISTING OF THE DISTRICT ADMINISTRATOR, PUBLIC WORKS OFFICER AND OTHER DISTRICT OFFICIALS AND ONE OR TWO FROM THE PRIVATE SECTOR. "WE WILL ALSO LOOK FOR AND SECURE A MANAGEMENT COMPANY," THE DISTAD STATED, "TO ACTUALLY RUN THE DAY-TO-DAY BUSINESS AT LEAST FOR SEVERAL YEAR UNTIL WE CAN TRAIN OUR OWN PERSONNEL."

THE CONSTRUCTION OF THE AIRPORT TERMINAL IS UNIQUE IN TWO WAYS. FIRST IS THAT THE GOVERNMENT HAS GONE OUTSIDE TO SECURE FUNDS TO SUPPORT THE CONSTRUCTION, AND THE OTHER, IS THAT ISLEY AIRPORT, HAS THE POTENTIAL TO BE THE FIRST SELF-SUPPORTING VENTURE WITHIN THE TRUST TERRITORY GOVERNMENT.

THE SAIPAN INTERNATIONAL AIRPORT WAS DESIGNED BY THE RALPH M. PARSONS COMPANY OF HONOLULU. THE DISTRICT GOVERNMENT IS WORKING VERY CLOSELY WITH THE HEADQUARTERS DEPARTMENT OF PUBLIC WORKS IN COORDINATING THE CONSTRUCTION OF THE RUNWAY AND THE TERMINAL.