

MPSC DRAFT  
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FINAL REPORT OF THE JOINT LAND COMMITTEE

INTRODUCTION

The Joint Land Committee has had three working sessions, the first two of which were reported in a report entitled "Interim Report of the Joint Land Committee's submitted on September 1, 1974. Since that date, the final session of the Joint Land Committee was held in Washington, D. C. starting September 19, 1974 and concluding on September 27, 1974. Many meetings were held, both at the Department of Interior and the offices of Wilmer, Cutler & Pickering. In addition to these meetings individual meetings were held by each side in their respective domains.

Individuals at various times present for this series of talks with the Joint Land Committee were as follows: for the United States James Wilson, Emmett Rice, Walter Appel, Ethel Smith, Dale Strait,                      Poole, and for the Marianas Pedria Tenorio, Jose R. Cruz, Benjamin G. Mangiona, James E. White, Howard Willens, James Leonard, Michael Helfer, Maurice Sheldon, and Ina Bechoffer.

The problems faced by the Joint Land Committee in many respects were the most serious problems to be faced by the Marianas Political Status Commission and the U. S.

Delegation in the whole of the negotiations. It was apparent to both sides that not all of these serious problems could be resolved at the Committee level, and many of the major issues, after being completely discussed with tentative positions taken, required reservation of the issues to the Fifth Session of the Marianas Political Status Negotiations. Most of the discussions during the final session of the Joint Land Committee centered on price for the land to be acquired by the United States, the port facilities at San Jose Harbor, joint use of West field by the civilian community and general joint uses of the utilities and facilities of the military complex to be developed on Tinian.

Also discussed, but without further comment here, was the survey work to be completed, which the Marianas Delegation has been assured by the United States is now done and will be made available to the Commission as a whole prior to the next Commission meetings. This survey work is to show the southern boundary of the U. S. requirements on Tinian, the boundaries at Tanapag Harbor Area and Isley Field, and description language for the island of Farallon De Medinilla. The subject of method of acquisition of the land military needs in the Marianas by the United States Government was sufficiently stated by both sides at their

negotiations, that both United States and the Marianas delegates to this Committee felt constrained to make no change in their respective positions. The present position of the United States is they need to acquire these lands by purchase in fee simple, and the position of the Marianas Political Status Commission is that a lease of these lands to the government of the United States for military purposes for a term of fifty years with an automatic option to renew on a then renegotiated rate for an additional fifty years is an appropriate method of acquisition. These terms and conditions are to be carried forward to the Commission as a whole for their further dealings at the next session.

MAJOR SUBJECTS OF DISCUSSION

I. San Jose Harbor - Tinian

The initial position of the United States in reference to San Jose Harbor - Tinian at the time of the start of this final session of the Joint Land Committee was that they needed to acquire all of the acreage indicated as follows: the Breakwater, Turning Basin, the wharf area, and the lands directly behind the wharf area. This area consists of 49.7 (50+) acres not including the breakwater, broken down as follows:

Five parcels directly behind the wharf area	31.5 acres
One parcel next to the five parcels	13.4 acres
The wharf area itself	<u>4.8</u> acres
Total	<u>49.7</u> acres

After a review of the entire situation among the Committee members, it was agreed that the recommendation of this Committee to the Commission as a whole be that all land requested by the United States Government in the San Jose port area be made available by the Marianas, with the exception of the two easterly parcels of land amounting in total to 9 acres along with the road adjacent thereto, and the most easterly six hundred feet of the wharf area. This 9 acres of land and the six hundred feet of wharf area are to be retained by the Government of the Marianas for purposes of port and port related activities of a commercial nature to be developed for use by the civilian community.

It is the recommendation of the Committee that the Government of the United States develop the Harbor Area of San Jose Harbor in its entirety. It is estimated that the cost of this development of the Harbor under present conditions will be approximately \$11,000,000. This redevelopment cost figure is subject to inflationary trends, shortages of labor, and various possible delays which could in effect increase or decrease the total overall cost. This \$11,000,000

generally breaks down as follows: Breakwater repairs: \$750,000; repairs to the wharf area: \$3,000,000; dredging the Turning Basin and up to the Wharf areas to a depth of 40 feet: \$4,250,000; storage development in the waterfront area; i.e., transit sheds and setting up a container yard: \$1,500,000; administrative office development: \$400,000; appropriately setting up a development of the liquid utilities (POL): \$1,000,000. It is the recommendation of this Committee that all of the above stated costs be borne by the United States, except for that proportionate share of wharf rehabilitation cost applicable to the six hundred feet of wharf area to be retained by the Government of the Marianas. It is the further recommendation of this Committee that the Government of the Marianas reimburse the United States Government this prorata cost figure when it is developed.

It is recommended by this Committee that the POL facilities, when developed, will be so developed as to adequately allow other commercial operations to continue on an uninterrupted basis during the loading and off-loading of POL products. A review of the present laws and regulations indicates that normal commercial harbor operations will allow for joint Harbor activities involving POL products and other commercial cargo loading and unloading. However, the military

safety regulations are sufficiently expanded as, in a Harbor as small as San Jose Harbor, to not allow both of these activities to be in operation at the same time. It is the recommendation of this Committee that the principals adopt the position that normal commercial practices in reference to POL product loading and unloading be adopted and not the more stringent military safety regulations so that adequate commercial activity can be continuously in operation at San Jose Harbor.

It is the recommendation of this Committee that the operations of the Harbor area being acquired by the United States Government come under the civilian control of the Government of the Marianas. However, initially, it is understood that the Government of the Marianas may be without sufficient expertise and capability adequately to manage this port facility. Consequently, it is further recommended by this Committee that the initial operations of the port area to be leased to the United States be directed by the United States Government or its designate during the initial major construction activities period for base construction on the island of Tinian. After this initial operating period, the responsibility for port operations will be transferred from the United States Government to the Government of the Marianas, or to some non-profit entity designated by the

Government of the Marianas. It is estimated that the transfer of operating responsibility will commence within four years, and be completed within seven years from the date that port construction begins.

During this initial operating period, the United States will encourage the development of Marianas capabilities by whenever possible awarding port service contracts to qualified local firms if existing laws and regulations permit such port service contracts be so awarded on a preferential basis. The United States will also establish a program to recruit, employ and train citizens of the Marianas for port related jobs of all levels.

It is understood by this Committee that the operations of the port will generally be run on the basis where the six hundred foot wharfage and 9 acres backup area to be retained by the Government of the Marianas will generally be used for the loading and off-loading of commercial cargo for the civilian community and that the remaining port area will generally be used by the United States Government for its base construction and military cargo loading and off-loading. It is further understood that at various times, the use of the facilities to be acquired by the United States and the facilities to be retained by the Marianas may be needed by each other and a coordinated effort to insure

commercial viability for both the military and civilian communities of the island of Tinian is necessary. It is understood by both parties that during the initial start-up operations where the majority of the work to be done at the port will be under the control and jurisdiction of the United States and later when the functions of the port are under the jurisdiction and control of the Government of the Marianas, that certain expenses attributable to both the area retained by the Government of the Marianas and the area acquired by the United States will need to be paid for by those vessels using the port facilities for its operations. With this in mind, it is proposed by this Committee that the Joint Military Civilian Relations Committee or a separate Committee to be established with membership from both the United States and the Government of the Marianas specifically to develop and determine all aspects of this operation as to control of vessels and payment of fees. It should be noted that the intended use of San Jose Harbor by the United States is generally for commercial purposes associated with the military complex to be established on Tinian, however, this does not mean that military non-cargo vessels will not from time to time make use of the facilities.

II. The Commercial Airport on the Island of Tinian

This Committee has done much work and had much discussion in reference to the commercial air facility to



be located within the military complex, adjacent to the proposed newly aligned West field to be developed by the military on Tinian. At the second session of this Committee, position papers were presented covering a myriad of problems, and since that time, at the request of the United States, the Marianas delegation has graphically presented its physical needs for commercial airfield activity in the foreseeable future on the island of Tinian. Generally these needs constitute a terminal with square footage of approximately twelve hundred square feet, an automobile parking lot of approximately fifty spaces, and apron area to handle at any one time two 707 jet aircraft and eight small private planes.

As a result of the exchange of position papers and the graphic demonstration of needs by the Marianas delegation, the following general principles have been agreed upon and are hereby recommended by this Committee for adoption:

1. The Government of the Marianas and the civilian community shall have continuous joint use of the runways to be developed at West field, Tinian, and the taxiways adjacent thereto. This joint use shall be uninterrupted unless the Government of the Marianas agrees to an interruption or unless one of the following conditions is met:

- (a) National Emergency. If it is necessary because of national emergency or a

declaration of war, the joint use of the above-described facilities may be curtailed by the joint order of the Secretary of Interior and Secretary of Defense for all or part of the period of existence of this state of emergency or war.

(b) National Alert. The military base commander may, if necessary, curtail the joint use of these facilities for short periods of time, generally not to exceed 48 hours during a National Alert. The use of the terminology "National Alert" as interpreted by this Committee means that situation as has developed only two or three times since the end of the Second World War, wherein all military air arm activities were put on special alert due to specific emergency circumstances of an extreme nature.

(c) The use of a field or fields and taxiway may be curtailed from time to time to allow appropriate and adequate construction and repair work to be accomplished. This construction or repair work will at all times whenever possible be coordinated

with the civilian community so as to minimize the hardships involved.

2. Adequate present and future land needs of the civilian community for airport terminal activities including, but not limited to, parking, terminal area, apron and parking area for aircraft will be made available as close to the runways and related taxiways of the military complex as is practicable. The initial location of these terminal and related facilities for the civilian community will be along the southern boundary of the easterly end of the runway. It is understood there is a 1,250 foot arm and de-arm clearance area, and that the terminal functions will not extend into this area. The exact location and configuration of this terminal facility is subject to further review by both sides.

The cost of development of the terminal structure itself shall be borne by the civilian community, subject to a payment of fair market value by the United States for the present terminal facility located at West field. It is further recommended by this Committee that the United States assist in this development by paving the apron area for the aircraft along with the parking facility for the automobiles and the access road. Should these terminal facilities -- i.e. the terminal building, apron, and parking areas -- at

any time have to be relocated due to the needs of the military, it is understood that continuous use of the runways and adjacent taxiways by the civilian community will continue to exist and that any relocation cost of the terminal facilities, apron, and parking areas will be paid for by the United States.

3. Aviation and related fuels will be supplied on a cost basis by the United States for the Government of the Marianas and commercial needs, so long as such supply is not in competition with any private enterprise that may be attempting to perform this operation.

4. The United States, during its planning of the base facilities, will take into consideration the needs of the civilian terminal area for water, power, telephone and other utilities applicable to a terminal facility, and make available to the civilian community utility hookups at the closest possible locations to allow for civilian development of these utilities and joint use thereafter on a properly reimbursible basis.

5. In reference to the present facilities in existence at the West field location, these facilities and the use of the present air strip will be continued on an uninterrupted basis whenever and wherever possible until the opening of the new runway is completed along with the then-existing terminal facilities. It is understood that should

any interruption of the use of the present West field and its terminal facilities, due to the construction of the new facilities, will be coordinated closely with the Government of the Marianas to insure as little hardship as possible.

6. Use of military hangers and related maintenance facilities by civilian aircraft will be possible in accord with the then-existing host service guidelines and fees.

7. The subject of landing fees to be collected and their ultimate destination is a subject matter of further negotiation between the parties, and this Committee has no recommendation on this subject.

8. The facilities to be provided at West field by the United States in addition to those previously described will be a lighted, instrumented, runway with appropriate navigational aids. In addition, the United States will provide aircraft and structural fire protection services and aircraft crash rescue service. The cost of these services shall be borne by the United States, subject to appropriate landing fees to the civilian aircraft using this facility.

9. Access to the civilian air terminal area will be unrestricted and the security in and around the civilian air terminal area will be provided by the civilian authorities. Security operation and maintenance of the civilian facilities will be the responsibility of the Government of the Marianas or its legal representative. Custom inspections

of all persons' baggage and freight arriving at this joint facility will be in accord with all applicable laws and implementing regulations with the general principle established that whenever and wherever possible this customs inspection shall be performed in the military area by customs inspectors provided by the military, and in the civilian area by customs inspectors provided by the Government of the Marianas.

III. Joint Uses

Joint uses generally breaks down into three categories: utilities, social uses, and land use rights, such as hunting and fishing. Initially the Marianas delegation to the Joint Land Committee submitted two position papers in this area. One paper was submitted during the previous session of negotiations entitled, "General Joint Uses for the Island of Tinian" covering the electrical power situation, possible natural gas facilities, telephone and telegraph facilities, water supplies, sewage, solid waste disposal, roads, beach access and fishing rights. A second position paper was submitted prior to the start of this final set of negotiations entitled, "Social Structure and Joint Uses". These uses were mainly in reference to base facilities such as schools, churches or chapels, hospital and out-patient clinics, recreational facilities, etc.

The initial United States position in reference to general joint uses was to indicate that it was an inappropriate subject for our Committee, and that it was more appropriate to place these subject matters before the Joint Military Civilian Relations Committee. However, since that time it has become more apparent that many of these problems need to be resolved prior to the development and signing of a status agreement and that the Joint Military Civilian Relations Committee, in all probability will not become a functioning entity until after this agreement comes into being. Therefore, these matters of general and social joint uses have, during this last session of negotiations, come under full discussion with the following results:

A. Utilities

For example, electrical power, possibly natural gas (should that ever become a reality, which at the present time does not appear to be a relevant element), telephone and telegraph facilities, water supplies, sewage, and solid waste disposal. The usual procedure followed by the United States is to make excess capacity of utilities available to the civilian community on an appropriate fee basis. This procedure would be use of these excess capacities without any contribution into the developmental costs in reference to these capacities. However, the United States would be under

no obligation to insure or create any guaranteed capacity for the civilian capacity on Tinian.

In discussing the possibility that, due to the unusual circumstances of Tinian operation being two-thirds under military control and one-third under civilian control, and due to the disparity of the proposed populations wherein most of the island of Tinian would be military in nature, an inquiry was made into whether or not the possibility existed that planning operations for the development of the basis utilities described above could include planning for the entire island and not just that of the base itself.

The Committee, with this thought in mind, has been working towards a principle wherein the planning and development of the various utilities would be done on an island-wide basis, taking into account realistic and reasonable projections of present civilian population and probable developments along with the military influx. This planning would be accomplished by the United States in close coordination with the Government of the Marianas. The Marianas would bear the cost of the civilian planning effort, either by doing the work itself or by reimbursing the U.S. Based on the coordinated planning activity, utilities would be developed of a sufficient size for both the military or civilian communities. The original development cost of these



utilities be borne by the United States with appropriate reimbursement by the Government of the Marianas for the pro rata share applicable to that capacity in excess of normal military needs that would have been added for the purpose of serving the civilian community on a guaranteed basis. The logic behind this position is that the civilian community would be assured of adequate utilities development at the same time the military utility development is constructed. It would reduce possible future frictions based upon the need to develop additional utility capabilities wherein the one source was to develop the entire utilities structure for the whole island, rather than attempting to develop two separate utility capabilities. The Marianas might, of course, choose not to participate in particular utility projects but instead to utilize the excess capacity of the military projects, when available.

It is understood by both sides that implementing and developing this basic principle necessarily requires further inputs by the experts in this area.

B. Roads

No position was taken by the United States in reference to roads. Consequently, the position on this subject as presented by the Marianas delegation in its position paper on general uses is the only information available at this time.

C. Medical Care

As presently is the case in the Trust Territory, emergency care for all citizens will be provided whenever and wherever possible by the military. Additionally, medical care on a non-emergency basis will be provided to the residents of Tinian where civilians' capability is non-existent, subject to the capacity and capability of the military staff. Whether or not a hospital is to be built at the military complex on Tinian or to just have a dispensary, is yet to be determined.

D. Fire Fighting

It is the position of this Committee that a mutual aid agreement similar to that type of an agreement presently required of the Air Force in other locations be entered into between the military facility on Tinian and the local community so that any fire requests be responded to by both the military and civilian community on a reciprocal basis with no cost to either side. This insures maximum protection possible to both the civilian and military communities.

E. Fishing Rights

Traditionally the residents of Tinian and Saipan have fished the waters in and around the northern two-thirds of Tinian as well as many areas of the southern

one-third of Tinian. It is understood as a general principle that all shoreline areas in and around the northern two-thirds of Tinian shall remain open to fisherman, except for those certain areas that must be closed due to hazardous possibilities developing from maneuvers or other dangerous military activity.

F. Beach Access

As was established in prior negotiations, it has been agreed by the United States that there shall be access to beach areas in the northern two-thirds of Tinian at all possible times by the civilian community. It is understood that during times of maneuvers certain beaches or areas of the beach will be inaccessible. However, closure for such purposes shall be kept to a minimum. The principle to be followed with respect to access to beaches is one of non-discrimination: civilians will have the same access as military personnel and their dependents. In the future, should other possible beach areas be developed by the military or the civilian community, the same policy of non-discrimination shall apply. The civilian community in the southern one-third of Tinian pledges itself to non-discrimination policy in reference to military personnel and their dependents using public beach areas in the southern one-third of Tinian.

G. Other Recreational Facilities

It is a general principle of this Committee that whenever and wherever possible access on a non-discriminatory basis for both civilian and military communities will be the rule with respect to all recreational facilities (e.g., tennis courts) whether in the military or in the civilian area of the island of Tinian. With respect to such facilities, however, it is also recognized that it is appropriate for the civilian or military community to establish regulations to maximize the use of such facilities by those individuals for whose use the facilities were intended. The real concern here is that the military will be developing facilities mainly to give a recreational capability to the military community that is stationed a long way from home. With this principle in mind, it may be necessary for the military to establish periods of time within which designated members of the community for which these facilities were built may have use thereof, and other times that the civilian community may be able to make use of these facilities. The Marianas delegation's position in this matter is a request that the military community build facilities adequate to handle not only the military requirement but also a realistic civilian use of these facilities. It is hoped that a principle might be developed similar to

that principle developing in the area of utilities, wherein planning for the entire island for recreational facility capabilities might properly be considered rather than limiting it to recreational facilities for just the military complex itself -- with appropriate reimbursement by the civilian authorities.

This area of social joint uses of the recreational facilities requires further discussions between the parties to establish an ongoing principle that will create as little friction in the future as possible. It is a delicate area, for both sides recognize the desirability of permitting the use of recreational facilities throughout the island of Tinian on a completely non-discriminatory basis. With this precept in mind, we hope the parties can move forward to a resolution of this serious problem.

#### H. Schools

The principle of joint use of school facilities has been established prior to the meeting of this Land Committee. Additionally, with the Mariana Islands becoming part of the United States, it is the general position of the military that no dependent schools be established, but rather the use of the local facilities be made available to the military community on a reimbursable basis as is presently done in Guam.

A complete discussion ensued in reference to the problem of establishing a good educational system within the Marianas as quickly as possible and all parties concerned -- i.e. the military community, the Department of Interior, and representatives of the Marianas delegation -- pledged full and complete cooperation in an attempt in every way to develop adequate education in the Marianas as quickly as possible after the Marianas comes under separate administration. It was recognized that initial requests must be forthcoming from the then-Government of the Marianas, but such requests when forthcoming will be acted upon as speedily and fully as possible by all parties concerned to see the educational position in the Marianas developed quickly and fully.

I. Base Exchange

It is the view of this Committee that purchasing of commodities by the civilian community from the base exchange be restricted. The civilian community will have adequate retail outlets to supply the food and dry good needs of the people of Tinian.

J. Base Movies

Base movies should be the subject of separate review to determine whether or not private enterprise on Tinian could develop and operate these facilities. Initial

use of the base movies by the civilian community should be an appropriate principle at least until such time as adequate separate facilities can be developed for the civilian community.

IV. Lease Back Arrangement

On September 10, 1974, the Marianas delegation to the Joint Land Committee submitted a position paper in reference to agricultural and other appropriate uses of land under the control of the military. This position paper did not attempt to delineate any specific land for any special treatment. Only general principles were set forth in that particular position paper that the Marianas delegation felt were important to the overall land leaseback situation. In response to this position paper, the United States indicated its desire to differentiate between the 1,200 acres (+) south and east of the proposed runway and other possible areas of leaseback. The United States feels that because of the prior commitment by Ambassador Williams, the 1,200 acres south and east of the runway requires special attention.

In reference to the 1,200 acres, in order for this land to be made available for a period longer than the maximum normally allowed under regulations -- i.e. 5 years --

and being made available on a nominal cost basis to the Government of the Marianas requires secretarial waiver of the appropriate regulations. The United States is prepared to request, and will propose to the Secretary of Defense, that he issue a waiver as to both time and the competitive bidding requirements in reference to these 1,200 acres. The question whether or not the charge for the 1,200 acres would be on a nominal basis was not directly answered by the United States and is still an open question.

In reference to the other leaseback areas, the acreages involved would vary from year to year depending on the construction build up of the base facilities on Tinian. Initially, there would be extensive land available for agricultural purposes until such time as construction was developed within each of these given areas. As time went on, this acreage leaseback capability would be substantially reduced. No specific figures were indicated by the United States, and the United States is reluctant to make specific figures available that might have the effect of indicating an excess in actual needs and creating a situation of promising something they will be unable to deliver at a later time. The United States position is that all land that is not needed for immediate use will be made available for agricultural leaseback subject to all terms and conditions



necessary in reference to the land and would be leased back in accordance with the appropriate regulations existing at that time. Leaseback in these areas would first be made available to other federal agencies, then to the local government of the Marianas, and third to other individuals. If it was a profit making motivation in reference to one of these lease areas, it would be done on a competitive basis. The Marianas representatives did not accept these U.S. positions and continued to feel that their position paper contains the appropriate recommendations.

V. Price for Land

The last major area of concern is the determination of price for the land to be acquired by the United States. Initially in Saipan in the second working session of the Joint Land Committee, Mr. Roy Markon made a presentation of an offer for the United States land needs in the Marianas for military purposes of \$11,661,400, broken down as follows:

<u>Area</u>	<u>Acres</u>	<u>Amount per Acre</u>	<u>Total</u>
Farallon de Medinilla	229	\$ 100	\$ 22,900
Isley Field	482	1,000	482,000
Tanapag Harbor	195	1,500	292,500
Island of Tinian Retention Land	8,452	300	2,535,600
Public Land	8,223	800	6,578,400
Non-Public Land on Tinian (Residential)	700	2,000	1,400,000
Commercial Land	100	3,500	<u>350,000</u>
TOTAL			\$11,661,400

Thereafter during this most recent session, the Marianas delegation presented a fair market value determination of all the areas of land required by the United States for military purposes, with the exception of Farallon de Medinilla and certain acreage on Tinian, showing a preliminary estimate of \$34,274,000 as fair market value for a fee simple interest. A copy of that preliminary estimate of value dated September 21, 1974, is marked Exhibit "A" attached hereto and incorporated herein by reference as part of this final report.

Thereafter, at the request of the Marianas delegation, Mr. Roy Markon for the United States, using the same format as the Marianas delegation used, came up with an estimated fair market value for the same lands in question (excluding Farellon de Medinilla) showing an estimate of fair market value of \$10,529,600. A copy of this estimate is marked "Exhibit B", attached hereto and incorporated herein by reference.

A meaningful discussion was developed in reference to comparative values and review of the materials presented by both parties. A full morning session was devoted to a discussion of the approaches to analysis of this problem with both the consultants for the United States and the Marianas present.

The United States indicated that its estimate of value of \$10,529,600 in no way was intended to refute its original offer of \$11,661,400, but was an attempt to respond as to evaluation of the figures and areas presented by our consultant. At this juncture the United States asked that the Marianas representatives present a specific counter-offer, since the \$34 million figure represented the value of a fee simple, while the Marianas position was that the land would be leased. The Marianas delegation promised that prior to the beginning of the Marianas Five a counter-offer, taking into account all land areas being requested for military use and based on a method of acquisition and payment acceptable to the Marianas delegation will be submitted. The further problem of the 22 plus acres of land presently being used on Saipan by the United States Coast Guard has not been included in this evaluation or the offer by the United States, as this property is not property construed as being used for military purposes and is a separate matter of negotiation to be reviewed at a later time.