Summary of Land Price Problem

As of the disparity between the U.S. offer of \$11,661,400.00 in our initial establishment of fair market value for most of this land in the amount \$34,274,000.00 it became quite apparent that in probability that Mariana' five certain compromises might have to be reached in order to solidify an agreement. For purposes of this paper I am going to assume that the initial counter offer to be development by Dr.Sheldon will be something in excess of \$30,000,000.00 taking into consideration the reduction factor for a fifty year lease rather than fee simple testaments and also adding the Jullon de Michael acreage that was non included in the fair market value estimates by Dr. Sheldon.

In order to attempt to overcome the obvious problem that is going to result from this great disparity I have attempted to review and except wherever possible the precepts of Roy Marcum in reviewing the initial offer as broken down into it's component parts and the estimate of fair market value put forth by Roy Marcum during this last session. A thorough review of these two presentations how shows Roy Marcum totally inaccurate, completely without foundation and open to the most poignant ridicule upon Potem Ľ.

close scrutiny of his work product. I have therefore on an attached document developed a chart of evaluations for purposes of the second counter offer using whevever possible the highest figures and evaluations of acreage and/or price for that acregage from the two papers submitted by Roy Markum and where there were no figures presented by Roy Markum such as in the Tanapag Harbor area where 100 acres was devoted to "public use" with no market value listed, I have then used the appropriate figures of Dr. Sheldon. As a final result assuming a ten percent reduction in the offering price due to the use of a 50-year long-term lease rather than use of fee simple, the second counter offer should be made in the amount of \$24,335,910 for an average per acre cost of \$1,323.61. Attached for review is the acreage and price spread showing the amounts used in Mr. Markum's initial offer presentation. Next is the fair market value as established by the Marianas evaluation by Dr. Sheldon and the next part of this spread is the fair market value as determined by Roy Markum for the United States and the last three columns deal with the proposed second counter offer that should be given after the initial counter offer is presented. The whole approach to this second counter offer is to allegedly show a conciliatory approach to the United States offer and the United States market evaluation as presented by Mr. Markum whenever and wherever possible. The

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only time we deviate from that process is in the areas that Mr. Markum does not indicate any acreage available or any evaluation for that acreage. In essence, we are attempting to take the best of his two worlds as far as we are concerned and then fill in with our evaluations where he was sadly lacking.

The following comments are relevant to the accesses spread sheet. In reference to Tanapag Harborand and residential low density, I used Markum's figure of \$7500 per acre but used our total approximate acreage of 70 acres because Maxkamks Marcon's 50 acres was out of a grand total of 100 whereas the actual acreage at that location is 200. So I added the additional 20 acres to the counter offer. Hiqh density I used our position as no figure was put forth by M the U.S. In reference to hotel location, I used the showsdx20xacxexxcommexciatxand Industrial and 10 acres commercial Marcon's papers showed 40 acres EDEMEREXEXXXXX n industrial and no acres commercial. I used Marcon's figure to cover both. The marina figure of 20 acres is from our paper as no acreage was allowed for the marina. The counter offer in reference to Isley Field: the 50 acres represents the 50 acres industrial as indicated in the U.S. second paper. The remaining acreage is as represented in the U.S. first paper. Tinian for the Harbor I used the 50 acre

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attached

figure because that is actual and the 25 acres does not even cover the requested amount.

We may want to offer or give on this point later as I did not take out an amount equal to the 9 acresxxxwe are requesting that the Marianas retain. The purpose behind that was that the 50 acres is still a conservative figure because the commercial and recreational fishing area down by the harbor is also construed as good harbor land and would easily be more than the 9 acres. However, it would be possible to reduce our final second counter offer by an amount equivalent to 9 acres as \$12,000 an acre or \$108,000. The air field uses the U.S. figures directly. For prime and secondary industrial property, the United States did not have a figure for either of these so I used ours. The resort area I used the United States figure. The residential, I used the United States figures as stated in their initial offer. In reference to commercial property on Tinian, I used their figure of \$7,500 per acre for prime commercial land and then I used their total acreage in the initial offering of 100 acres to arrive at the \$750,000 total on prime acreage. For secondary acreage for commercial land had no evaluation or acreage listed, so I used ours. In the last area which I have classified in the second counter offer and noncommercial and nonresidential land of 15,825

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acres at \$800 a acre with a grand total of \$12,666,000 is derived at in the following manner: the original offer of the United States used a remainder figure after subtracting residential and commercial property and retention land to arrive at the figure for public land of \$8,223 acres and following the same philosophy, I have subtracted all the other land uses and come up with a remainder total of 15,825 acres: as the remaining total amount for Tinian of the total of 17,475. Thexphilosophy Following the philosophy that distinctions for retention land are inappropriate as is being proved by our legal paper. It is then appropriate to use the \$800 per acre figure for "public land remainder figure as was indicated in the initial U.S. offer. This is how the \$12,666,000 figure was used, butxnether

but rather took them for what they were worth.

TAPE 2 The farallon de medinilla acreage and evaluation is as was stated in the original offer by the United States. The other items are self explanatory. For purposes of presentation to the United States I do think the per acreage cost figure of \$1,323.61 could be effectively used.

> Another aspect of this entire problem and review of the spread sheet indicates that there are many areas in which we can effectively dilute Mr. Marcon's credibility if that approach is desired at the time of Marianas 5. This finitesxthisxsemmeryxxxThexmeterialxafteexxthisxhesxalteedyx

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LCAM OPTIMISTIC ABOUT CONVENTION) SAIPAN, OCT. 2 (MIS) THE VICE-CHAIRMAN OF THE MICRONESIAN FIF (FALCAM OPTIMISTIC ABOUT CONVENTION) CONSTITUTIONAL CONVENTION'S PRE-CONVENTION COMMITTEE IS "OPTIMISTIC" ABOUT MARSHALLESE PARTICIPATION IN THE CONVENTION, AND BELIEVES THAT A VIABLE, UNIFIED MICRONESIAN GOVERNMENT IS POSSIBLE DESPITE DIFFERENCÉS BETWEEN THE DISTRICTS.

LEO A. FALCAM MADE THE COMMENTS DURING A TALK TUESDAY EVENING (OCT. 2) TO NEWBERS OF THE ROTARY CLUB OF SAIPAN. FALCAM AND THE OTHER MEMBERS OF THE COMMITTEE RETURNED TO SAIPAN THIS WEEK FROM A TRIP THAT TOOK THEM TO EACH OF THE OTHER DISTRICTS FOR MEETINGS TO DISCUSS THE CONSTITUTIONAL CONVENTION WITH THE PEOPLE. THE FINAL MEETINGS ARE BEING HELD THIS WEEK IN THE MARIANAS (SEE FOLLOWING STORY).

"THE RECOGNITION THAT THERE ARE DIFFERENCES BETWEEN THE DISTRICTS IS NOT AS GREAT AS THE RECOGNITION THAT SIMILARITIES EXIST," FALCAM TOLD THE ROTARIANS. "IF WE CAPITALIZE ON THESE SIMILARITIES, I THINK IT IS DEFINITELY POSSIBLE THAT A UNIFIED MICRONESIAN GOVERNMENT VILL RESULT."

FALCAM SAID THE COMMITTEE FOUND THAT PEOPLE IN THE DISTRICTS SEEM TO BE THINKING ABOUT MICRONESIA AS A WHOLE, AND NOT JUST ABOUT PALAU, OR YAP, OR THE MARSHALLS. COMMENTING SPECIFICALLY ON A NEWS STORY OUT OF THE MARSHALLS LAST WEEK WHICH INDICATED THAT THE COMMITTEE'S VISIT THERE WAS SOMETHING LESS THAN A SUCCESS, FALCAM SAID:

"WE KNEW WE WOULD RUN INTO SOME OPPOSITION IN THE MARSHALLS. BUT THAT DIDN'T STOP US FROM GOING THERE, AND I'M GLAD IT DIDN'T. THE NEWS STORY FROM THE MARSHALLS WAS A LITTLE ONE-SIDED. THE COMMITTEE DID HAVE SUCCESSFUL MEETINGS WITH THE NITIJELA, STUDENTS, AND OTHER GROUPS.

"IT IS UNFORTUNATE," THE PONAPE DISTAD CONTINUED, "THAT THE CURRENT MARSHALLESE DISENCHANTMENT WITH THE CONGRESS OF MICRONESIA SPILLED OVER INTO THE WORK OF THE COMMITTEE. WE MADE IT CLEAR THAT WE ARE NOT A COMMITTEE OF THE CONGRESS--THAT THE CONSTITUTIONAL CONVENTION IS A CONVENTION FOR ALL OF THE PEOPLE. I THINK THAT THEY UNDERSTOOD AND APPRECIATED THIS.

ASKED WHETHER HE THINKS THE MARSHALL ISLANDS DELEGATION TO THE CONVENTION WILL EVER BE COMPLETED OR ORGANIZED, FALCAM SAID, "I THINK THE CHANCES ARE GOOD. THE DIFFICULTY IS FINDING OUT WHAT THE PEOPLE OF THE MARSHALLS REALLY FEEL. WE HEAR THE FEW WHO SPEAK OUT, BUT WE DON'T KNOW HOW THE MASSES FEEL. "I LEFT THE MARSHALLS VERY OPTIMISTIC ABOUT MARSHALLESE PARTICIPATION IN THE CONVENTION," THE PRE-CONVENTION COMMITTEE VICE-CHAIRMAN STATED.

FALCAM ALSO TOLD THE ROTARY CLUB MEMBERS THAT THE COMMITTEE HAS DECIDED ON A LOCATION FOR THE CONVENTION--THE SAIPAN CONTINENTAL HOTEL -- BUT HAS NOT DECIDED ON THE TIME YET. THAT DECISION WILL BE MADE IN A MONTH OR SO, AFTER COMMITTEE MEMBERS HAVE HAD TIME TO STUDY THEIR NOTES FROM THE RECENT SERIES OF DISTRICT MEETINGS.

PUBLIC LAW 5-60 SPECIFIES THAT THE CONVENTION IS TO BE HELD ON SAIPAN, BUT DOES NOT SAY WHEN, LEAVING THAT DECISION UP TO THE PRE-CONVENTION COMMITTEE. FALCAM SAID UNTIL THE CONVENTION TAKES PLACE, THE MONEY APPROPRIATED FOR IT BY THE U.S. CONGRESS AND THE CONGRESS OF MICRONESIA WILL BE PLACED IN A SAVINGS ACCOUNT TO EARN INTEREST.

(PRE-CON COMM ON SAIPAN)

SAIPAN, OCT. 2 (MNS) --- SAIPAN MUNICIPAL COUNCIL SPEAKER VICENTE CAMACHO TOLD THE PRE-CONVENTION COMMITTEE OF THE MICRONESIAN CONSTITUTIONAL CONVENTION (CONCON) THIS WEEK THAT THE PEOPLE OF THE MARIANAS "DO NOT INTEND TO GET OUT FROM THE OTHER FIVE DISTRICTS OF MICRONESIA."

CAMACHO EMPHASIZED DURING A TWO-HOUR MEETING TUESDAY (OCT. 1) WITH THE EXECUTIVE COMMITTEE OF THE SAIPAN MUNICIPAL COUNCIL THAT THE INTERPRETATION THAT MANY OF THE PEOPLE OF THE MARIANAS WANT " TO GET OUT" IS "A WRONG IMPRESSION." "THE PEOPLE OF THE MARIANAS ARE NOT SELFISH AT ALL (IN SEEKING A SEPARATE POLITICAL STATUS), BUT WE WANT TO MOVE FORWARD FOR THE BETTERMENT OF OUR PEOPLE," COUNCIL SPEAKER CAMACHO SAID. HE ADDED THAT THE REASON WHY THE MARIANAS IS HEADING TOWARD COMMONVEALTH STATUS IS BECAUSE OF GUAM'S REJECTION IN A PLEBESCITE SEVERAL YEARS AGO OF AN ATTEMPT TO UNIFY THE MARIANAS.

VICE-CHAIRMAN OF THE PRE-CONVENTION COMMITTEE LEO A. FALCAM INQUIRED ABOUT THE TIMING OF THE CONSTITUTIONAL CONVENTION AND SAID THAT ONE OF THE REASONS WHY THE COMMITTEE IS TRAVELLING THROUGHOUT THE DISTRICTS IS TO FIND OUT WHAT DIFICIENCIES THERE ARE NOW IN PL 5-60 (CONCON BILL) WHICH ' CAN BE CORRECTED DURING THE UP-COMING REGULAR SESSION OF THE CONGRESS OF MICRONESIA. HE SAID HE HOPES THAT THE CONSTITUTIONAL CONVENTION WILL BE HELD AT SUCH A TIME THAT

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IT WILL NOT BE IN CONFLICT WITH ANY ACTIVITY IN ANY DISTRICT. THE COMMITTEE WAS THEN ASKED WHETHER THEY ARE AWARE THAT

THE MARIANAS DISTRICT LEGISLATURE HAD PASSED A SEPARATE ADMINISTRATION RESOLUTION AND THAT THERE ARE ON-GOING TALKS BETWEEN THE U.S. AND THE MARIANAS.

JOHN O. NGIRAKED OF PALAU RESPONDED BY SAYING THAT THE COMMITTEE IS AWARE OF THIS, AND THAT HOLDING A CONSTITUTIONAL CONVENTION WILL NOT IN ANY WAY JEAPORDIZE THE MARIANAS STATUS TALKS. HE POINTED OUT THAT A CONSTITUTIONAL CONVENTION WILL BE UNDERWAY IN PALAU SOON AND IF THAT IS THE BEST INTEREST AND WISHES OF THE PEOPLE OF PALAU, HE WILL FULLY SUPPORT IT. THE TERMINATION OF THE TRUSTEESHIP AGREEMENT WAS

DISCUSSED AT LENGTH. SOME MEMBERS SUGGESTED THAT THE CONCON SHOULD NOT BE HELD UNTIL THE MARIANAS ISSUE HAS BEEN RÉSOLVED.

OTHER QUESTIONS POSED BY COUNCIL'S COMMITTEE RELATED TO WHETHER THE CONSTITUTION SHOULD BE MADE APPLICABLE TO A DISTRICT WHEN THE PEOPLE OF A PARTICULAR DISTRICT REJECTED IT WHILE THE OTHERS APPROVED IT. SENATOR PETRUS TUN (YAP) SAID THAT THERE IS A PROVISION IN THE LAW WHEREBY A CONSTITUTION WHICH IS REJECTED BY ONE DISTRICT SHOULD NOT BE MADE APPLICABLE TO THAT PARTICULAR DISTRICT.

SEVERAL MEMBERS INQUIRED WHETHER THERE IS ALREADY A CONSTITUTION DRAFTED WHICH WILL SERVE AS A GUIDELINE DURING THE CONCON. SEN. TUN SAID THAT THE CONGRESS JOINT COMMITTEE ON FUTURE STATUS HAS THREE DRAFTS, ALL DIFFERENT, AND ADDED THAT THE DRAFTS WILL NOT BE SUBMITTED AT THE CONCON.

MEETING WEDNESDAY MORNING (OCT. 2) WITH THE MARIANAS POLITICAL STATUS COMMISSION, THE COMMITTEE WAS TOLD THAT HOLDING A CONSTITUTIONAL CONVENTION IN THE FIRST PLACE IS A MISTAKE MADE BY THE CONGRESS OF MICRONESIA AND THE ADMINISTRATION BECAUSE THE PEOPLE WERE NOT FULLY CONCULTED.

MARIANAS SENATOR EDWARD PANGELINAN, WHO IS ALSO THE CHAIRMAN OF THE MARIANAS POLITICAL STATUS COMMISSION, ASKED, "HOW CAN YOU WRITE A CONSTITUTION WHEN YOU DON'T KNOW WHAT STATUS YOU'RE HEADING FOR? YOU'RE NEVER GOING TO HAVE A CONSTITUTION WHEN YOU HAVEN'T RESOLVED THAT ISSUE," PANGELINAN SAID.

DR. FRANCISCO T. PALACIOS THEN ASKED WHETHER THERE IS ANY INVESTIGATION BEING MADE AT THE U.S. CONGRESS AS TO THEIR REACTION REGARDING THE TWO SEPARATE STATUS TALKS GOING ON IN THE TRUST TERRITORY. "WHAT WILL HAPPEN", DR. PALACIOS ASKED, "IF ONE DISTRICT APPROVES ITS OWN CONSTITUTION BUT DISAPPROVES A PORTION OF THE TT-WIDE CONSTITUTION WHICH IS IN

CONFLICT WITH THEIR OWN CONSTITUTION?" HE URGED THAT SOME STUDIES BE MADE ON THIS.

JOHN NGIRAKED THEN QUESTIONED THE INTEGRITY OF THE UNITED STATES GOVERNMENT IN THE NEGOTIATIONS WITH THE MICRONESIAN DELEGATION. REFERRING TO THE \$450,000 WHICH THE U.S. HAS PROVIDED FOR THE MICRONESIAN CONSTITUTIONAL CONVENTION, HE ASKED, "WHEY THEN, DID THE U.S. DECIDE TO HOLD SEPARATE STATUS TALKS WITH THE MARIANAS?"

THE PRE-CONVENTION COMMITTEE HAS NOW CONCLUDED ITS DISTRICT MEETINGS. THE COMMITTEE WILL MEET IN ABOUT A MONTH TO GO OVER ITS FINDINGS AND MAKE RECOMMENDATIONS, ACCORDING TO FALCAM.

OTHER MEMBERS OF THE PRE-CONVENTION COMMITTEE, IN ADDITION TO FALCAM, NSIRAKED AND TUN, ARE, LARRY CABRERA (MARIANAS), CHUTOMU NUMWES, (TRUK), AND CARL HEINE (MARSHALLS), WHO IS AN UNOFFICIAL REPRESENTATIVE OF THE NOT-YET ORGANIZED MARSHALLESE DELEGATIONS. THE CHAIRMAN OF THE COMMITTEE IS SENATE PRESIDENT TOSIWO NAKAYAMA OF TRUK, WHO IS CURRENTLY TRAVELLING WITH A CONGRESS OF MICRONESIA ECONOMIC STUDY GROUP IN ASIA.

(PONAPE SPECIAL SESSION)

PONAPE, OCT. 2 (MNS) ---SPEAKER OF THE PONAPE DISTRICT LEGISLATURE ITOR HARRIS OFFICIALLY OPENED THE FOURTH SPECIAL SESSION OF THE THIRD PONAPE DISTRICT LEGISLATURE TUESDAY MORNING (OCT. 1) IN KILONIA, PONAPE, ACCORDING TO HALVERSON JOHNNY, PONAPE BROADCAST STATION MANAGER. THE SPECIAL SESSION WILL CONTINUE FOR A PERIOD OF SEVEN CONSECUTION DAYS, OR UNTIL WEDNESDAY, OCTOBER 9.

THE SOMEWHAT SUDDEN SPECIAL SESSION OF THE LEGISLATURE CAME WHEN A PETITION, SIGNED BY ONE-THIRD OF ITS MEMBERS AS REQUIRED UNDER THE CHARTER OF THE LEGISLATURE, WAS SUBMITTED. THE LEGISLATURE PETITION ALSO INDICATED THAT THE SPECIAL SESSION WILL BE OPEN TO CONSIDER ALL MATTERS OF LEGISLATIVE CONCERN.

IN HIS OPENING REMARKS, SPEAKER HARRIS TOLD HIS COLLEAGUES THAT DURING THE SPECIAL SESSION, THE LEGISLATURE SHOULD CONTINUE TO TACKLE DISTRICT ISSUES WHICH ARE IMPORTANT TO DEVELOP PONAPE AND ITS RESOURCES. HE SPECIFICALLY PINPOINTED TWO ISSUES OF CONCERN FOR THE LEGISLATURE TO CONSIDER, ONE HAS TO DO WITH THE SALARIES OF A FULL-TIME LEGISLATURE, WHILE THE OTHER CONCERNS THE FUTURE POLITICAL STATUS OF PONAPE DISTRICT AS WELL AS MICRONESIA IN GENERAL.

REGARDING THE SALARIES OF THE LEGISLATURE, SPEAKER HARRIS SAID, "LET US WORK OUT A SALARY THAT WILL SURELY PROMISE PONAPE DISTRICT AN EFFECTIVE LEGISLATIVE BODY. IT WILL BE BETTER IF ALL OF US CONCENTRATE ON A SALARY THAT CAN BRING IN QUALIFIED LAW MAKERS, BUT NOT IN TERMS OF HOW MUCH EACH MEMBER OF THE BODY IS SATISFIED WITH."

WITH REGARD TO THE FUTURE POLITICAL STATUS ISSUE OF MICRONESIA, SPEAKER HARRIS REMINDED HIS COLLEAGUES THAT, "WE MUST NOT FORGET THAT WE ARE STILL RESPONSIBLE TO FIND A BETTER FUTURE NOT ONLY FOR PONAPE DISTRICT BUT FOR MICRONESIA. WE MUST EXCERCISE OUR EFFORTS IN MAKING OUR PEOPLE UNDERSTAND THEIR FUTURE POLITICAL STATUS. I ASK ALL THE COOPERATION FROM EACH MEMBER OF THE BODY IN SETTLING ISSUES SUCH AS THOSE COMING BEFORE US."

SEVERAL LOCAL DIGNITARIES FILLED THE LEGISLATURE GALLERY DURING THE OPENING CEREMONIES IN KOLONIA. JOHNNY REPORTED.

(ALL USERS PLEASE CREDIT CONGRESS OF MICRONESIA) (BUDGET STATEMENT IN WASHINGTON)

ALREADY "OVERSTRAINED" CAPABILITIES OF THE CONGRESS, WHICH HAS ENACTED REVENUE SHARING LEGISLATION THAT WILL TAKE EFFECT BEGINNING NEXT YEAR.

THEY SAID THE U.S. CONGRESS SHOULD ALSO TAKE INTO ACCOUNT ANY CHANGES, OR ADDITIONS WHICH MIGHT RESULT FROM DEVELOPMENTS IN THE TRANSITION PERIOD RELATED TO MICRONESIA'S FUTURE POLITICAL STATUS. THEY SAID THAT THE BULK OF CAPITAL IMPROVEMENT PROJECTS WILL BE FOR INFRASTRUCTURE OF FIRST PRIORITY, AS IT HAS SUCH A VITAL EFFECT ON ALL ASPECTS OF LIFE IN MICRONESIA, WILL BE THE CONSTRUCTION OF A FLEET OF VERSATILE INTER-ISLAND FIELD TRIP VESSELS WHICH CAN MEET THE PRESENT DOCKING AND HARBOR CONDITIONS AND CAN ALSO ACCOMMODATE CONTAINERIZED CARGO. OF EQUAL IMPORTANCE WILL BE THE REHABILITATION OR CONSTRUCTION OF HS HOSPITALS, SCHOOLS AND AIRFIELDS."

THE CONGRESSMEN STATED THAT WHILE THE INTENTION IS TO KEEP DOWN THE COST OF OPERATIONS IN FUTURE YEARS, THERE WILL BE A NEED TO USE A LESSER PORTION OF THE AUTHORIZATION FOR TRANSPORTATION, MEDICAL SUPPORT AND OTHER OPERATIONS. INCLUDED IN THIS AREA "WILL BE FUNDS FOR ECONOMIC DEVELOPMENT PLANNING, WHICH RATES AN EXTREMELY HIGH PRIORITY" FOR MICRONESIA AT WHICH RATES AN EXTREMELY HIGH PRIORITY" FOR MICRONESIA AT THIS TIME IN "ACHIEVING GREATER ECONOMIC SELF-SUFFICIENCY IN THE FUTURE."

REP. SETIK AND SENATOR OLTER CONCLUDED BY INDICATING THAT IN THE NOT TOO DISTANT FUTURE, MICRONESIA, LIKE OTHER DEVELOPING COUNTRIES, WILL HAVE TO "REORIENT ITS GOVERNMENT EXPENDITURES AND TOTAL GROWTH ON THE BASIS OF TOTAL RESOURCES AVAILABLE, AND NOT ON THE BASIS OF A MYRAID OF NEEDS WHICH CANNOT BE MET DUE TO CONSTRAINTS IN INCOME, MANPOWER, AND NATURAL RESOURCES."

(DIVER DROWNED)

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PALAU, OCT. 2 (MNS) ---AN AMERICAN MEMBER OF A GROUP OF SCUBA DIVERS TOURING THE TRUST TERRITORY IS MISSING AND PRESUMED DROWNED FOLLOWING A DIVING ACCIDENT IN PALAU LAST WEEK.

DR. ROBERT L. MARSHALL, OF TAYLOR, MICHIGAN, WAS REPORTED MISSING FOLLOWING A DIVE WEDNESDAY, SEPT. 25. THE GROUP HAD ARRIVED IN PALAU THAT MORNING FROM SAIPAM, AFTER VISITING TRUK EARLIER IN THEIR TOUR. SOURCES IN PALAU REPORT THAT DURING A DIVE THAT AFTERNOON IN AN AREA OF THE REEF ABOUT SEVEN MILES FROM THE DISTRICT CENTER, MARSHALL FAILED TO SURFACE. TWO OF HIS COMPANIONS IMMEDIATELY WENT DOWN TO LOOK FOR HIM, BUT WERE NOT SUCCESSFUL. THE FOLLOWING DAY SEVERAL PALAU DIVERS JOINED THE VISITING GROUP IN ANOTHER ATTEMPT TO LOCATE MARSHALL'S BODY WITHOUT SUCCESS.

DR. MARSHALL WAS ACCOMPANIED ON THE TRIP BY HIS WIFE, WHO REMAINED IN KOROR FOR SEVERAL ADDITIONAL DAYS IN THE HOPE HER HUSBAND'S BODY WOULD BE LOCATED. SHE WAS SCHEDULED TO LEAVE PALAU WEDNESDAY (OCT. 2).

TRUST TERRITORY MARINE RESOURCES CHIEF CHRIS MITCHELL SAID THIS WEEK THAT INFORMATION HE HAS RECEIVED INDICATES THE AREA WHERE THE MEN WERE DIVING IS AS MUCH AS 700 FEET DEEP. LITTLE HOPE IS HELD FOR THE RECOVERY OF DR. MARSHALL'S BODY, HE SAID.