Joint Working Draft

October **\$**, 1974

PINAL REPORT OF THE JOINT LAND COMMITTEE

INTRODUCTION

, Since Marianes IV.

The Joint Land Committee has had three working sessions.

The result of two first wood was sessions on disseased the first two of which were reported in a draft working report.

Inot officially adopted entitled "Interim Report of the Joint Land Committee" 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 and Pickering. In addition to these meetings individual meetings were held by each side.

Individuals at various times present for this series of talks with the Joint Land Committee were as follows: For the United States: James Wilson, Jr., Emmett Rice, Walter Appelle, Athol Smith, Dale Strait, Sageger Poole, Roy Markon, Arthur Youngren, Joseph Samaritano, and Verne Hilderbrand. For the Marianas: Pedro S. Tenorio, Jose R. Cruz, Benjamin G. Manglona, James E. White, Howard Willens, James E. Leonard, Michael Helfer, Maurice Sheldon, and Ina Bechoffer, Paul Amendson, and Pales.

The problems faced by the Joint Land Committee in many Briggs
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 having been
To be maximum extent possible, all were discussed herry why,
and each side presented at least femicitus positions. But conserve
Mayor issues the Committee was inable to developed.

recommendation for the principal's a

of the respective

The positions from the goscon begin

X

completely discussed with tentative positions taken, required

The principals in

referral 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, not commented upon further here, was the

survey work to be completed, which the Marianas Delegation has

survey work to be completed, which the Marianas Delegation has been assured by the United States is now complete and will be made available to the Commission as a whole prior to the next Commission meeting. 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 descriptive language relative to Menconstation positions of the for the island of Farallon de Medinilla. The subject of method and method of payment were reflerated a como of acquisition of the military land needs in the Marianas by the United States Government was sufficiently stated by both delegations sides at their negotiations. Both the United States and the Marianas delegates to this Committee felt constrained to make no change in their respective positions. The present position CERUIS From by parchase of the United States is to acquire these lands by purchase in fee simple, and the position of the Marianas Political Status The land should be leased to the Commission is that a lease of these lands to the government of the United States for military purposes for a term of fifty years foresther total anadditional titly years, bease with an automatic option to renew on a then renegotiated rate for Payments would be words and adjusted periodically.

an additional fifty years is an appropriate method of acquisition principals of belong the transfer of the state of the st

MAJOR SUBJECTS OF DISCUSSION

I. San Jose Harbor - Tinian

San Jose Harbor - Tinian, at the time of the start of this final session of the Joint Land Committee was that it required the entire San Jose port, including specifically an area consisting of approximately 49.7 (50±) acres bounding the port area. Joint use of facilities within the confines of military requirements was contemplated. No permanent warehousing construction was significantly was contemplated. The 50± acres was 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	4.8 acres
Total	49.7 acres

It is estimated that the cost of this development of the Harbor under present conditions will be approximately \$11,000,000. This estimate is subject to inflationary trends, shortages of labor, further planning, U.S. Congressional approval and appropriation, and various possible delays which could in effect increase or decrease the total overall estimate. 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 the total overall estimate.

\$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 (POE): \$1,000,000.

The initial position of the Marianas Delegation was that the civilian sector should have guaranteed preferential use of one berth and guaranteed preferential use and/or lease back of approximately nine acres (the two easterly parcels) together with the adjacent road and the right to construct permanent warehousing upon the nine acre plat.

Attempts to reconcile the two positions resulted in an impasse.

In an effort to resolve this issue both delegations agreed to present the following alternative solutions to their respective principals:

parcels (approximately nine acres) along with the read adjacent thereto and approximately 600 feet of the easternmost portion of the wharf which should be retained by the civilian sector for purposes of port and port related activities to be developed by the civilian sector for use by the civilian community. Joint use of common facilities and when appropriate and available of the other's facilities on a reimbursable basis could be anticipated under this alternative. It was further anticipated that this nine acre dimunition of the required military port acreage acquisition might necessitate an equivalent adjustment acquisi-

tion in another adjacent area. (This is see the fulfilled Malinus listing).]

2. Essentially the same as alternative number 1

2. Essentially the same as alternative number 1 (supra) except that the U.S. should acquire all of the wharf footage area. Under this alternative the civilian sector would have assured use of a berth on a scheduled basis of "first scheduled, first served".

Under either alternative solution all of the above stated costs would be borne by the United States, except for that proportionate share of wharf rehabilitation cost applicable to the six hundred feet of wharf area, should it be retained by the Government of the Marianas. The Government of the Marianas would be required to fund its pro-rata portion in advance, should the U.S. let all contracts under the military construction program.

It appears both desirable and appropriate that the POL facilities, when developed, should be so developed as to account allow other commercial operations to continue on an uninterrupted basis during the loading and off-loading of POL products. A review of present laws and regulations indicates that normal commercial harbor operations allow for joint harbor activities involving POL products and other commercial cargo loading and unloading. However, the military safety regulations are sufficiently expanded so as in a harbor as small as San Jose Harbor, to impose some restrictions on concurrent exercise of both of these activities. It would appear appropriate and desirable that the principals investigate the feasibility of adopting the less

Resedenthe treation

This Committee

This values

This values

The values

The states

-6- the adopted,

stringent commercial standards thus minimizing possible interference with civilian activity.

It is the recommendation of this Committee that the port operation ultimately be under the civilian control of the (05 Sounce is practicable) However, initially, it is under-Government of the Marianas, stood that the Government of the Marianas may be without sufficient expertise and capability adequately to manage this port Consequently, it is further ecommended by this Committee that the initial operations of the port area be directed by the United States Government or its designee during the initial major construction acitivites period for base construction on the Island of Tinian. After this initial operating period, the responsibility for port operations should 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. Hopefully, the transfer of operating responsibility will commence within four years from the beginning of port construction and will continue on a phased basis to ultimate civilian control of appropriate functions.

During this initial 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 to be awarded on a prefential basis. The United States will attempt to recruit, employ and train citizens of the Marianas for port related jobs of all levels.

If alternative number 1 (supra) is selected, the operations of the port will generally be run on the basis where the six hundred foot wharfage and nine acres backup area to be retained by the Government of the Marianas pursuant to this alternative 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 To Phnywood eenstruction and military cargo loading and off-loading. + 5 and commenters ous times the use of the facilities to be acquired by at various times -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. During the initial start p 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 be paid for by vessels using the port facilities. 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 suggested operation as to control of vessels and payment of fees. The intended use of

San Jose Harbor by the United States is generally for purposes associated with supporting the military complex to be established on Tinian. This does not mean that military non-cargo vessels will not 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 new runway 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 acitivity in the foreseeable future on the island of Tinian. These needs as presented request a terminal with square footage of approximately twelve hundred square feet, an automobile parking lot of approximately fifty spaces, and an apron area to handle at any one time two 707 jet aircraft and eight small private planes.

In the view of sorther like work to the sent to the se

The following general principles have been tentatively agreed upon:

1. The Government of the Marianas and the civilian community the Mention of Subty of Might and man-interior with middless operations of safety of Clight and non-interference with military operations. 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 Secretary of Defense for all or part of the period of existence of this state of emergency or war.
- (b) National Alert or Mational Interests. The military base commander may, if necessary, curtail the joint use of these facilities for a required period of time during a National Alert or when the Mational Interests so require.
- (c) Construction and Repair. The use of a field or field or field and taxi-way 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 taxi-ways 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 1,235 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 Government of the Marianas, subject to a payment of fair market value by the United States for the present terminal facility located at West Field. respectfully demands 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 as a compromise of an impassé reached on the overall issue According to The U.S. reprosenta Delegation, such a compromise would probably of terminal replacement. require a waiver of military construction regulations and possibly and exception to existing U.S. laws The U.S. Gennel support such a lange of action and therefore belomments Funding from other government agencies such as FAA. Should these terminal facilities -- i.e., the

mestization of funding possibilities!

terminal building, apron, and parking areas—at any time have to be relocated due to the needs of the military, it is understood that community will continue to exist and that appropriate relocation costs of the terminal facilities, apron and parking areas will be borne by the United States.

3. Aviation and related fuels will be supplied on a cost of the basis by the United States for the Government of the Marianas and commercial needs related to the commercial use by the civilian community at West Field, 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, to make available to the civilian community appropriate utility hookups at the closest practicable locations to allow for civilian development of these utilities and joint use thereafter on a properly reimbursable basis.
- 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. It is understood that should necessary interruptions 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 commercial aircraft may be possible in accordance with the then-existing host service guidelines and fees.
 - 7. The subject of landing fees to be collected and their des hallow, ultimate destination is a subject matter of further negotiation between the parties.
 - 8. United States plans to construct a lighted, instrumented, runway with appropriate navigational aids. The United States will provide aircraft and structural fire protection ser-

ices and aircraft crash rescue service as available. The cost of these services shall be borne by the United States, subject to charging appropriate fees to users of these services.

9. Access to the civilian air terminal area will be unrestricted and the security in and around the civilian air terminal 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 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 arranged for by the military, and in the civilian area by customs inspectors tors arranged for 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. Charly

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, solic

waste disposal, roads, beach access and fishing rights. I 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 United States position in reference to general joint use was to indicate that it was an inappropriate subject for the Committee, and that it was more appropriate to place these subject matters before the Joint Military Civilian Relations Commithas restated its tee. However, since that time the Marianas delegation feels it reelings 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 The Committee discussed

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 tele-

Torright office, severage, and

or transport utilities services to parties outside installation.

Limits except under unusual circumstances. In such cases the usual procedure followed by the United States is to rake ones capacity of utilities available to the civilian community on an appropriate fee basis. This procedure generally provides use

Pits poles will be on the or the own less weeks as now the company of the contract of the cont

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 community on Tinian Ducker Policy.

circumstances of Tinians operations 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 base utilities described above could take whether the possibility wheels of

the base, itself. If westeappers descrable and not just that of the the base, itself. If westeappers descrable and appropriate that the planning and development to dive en an it will will be the formattee, 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. Planning accomplished by the United Stares.

planning effort, either by doing the work itself or by rembursing the U.S. Daniel on the coordinated planning mentals and the coordinated planning mentals and

approach be adopted, utilities could possibly be developed of a sufficient size for both the military and civilian communities.

It would appear appropriete and desiriable for both principals to recommend that the FIFT Government of the TTPI take the weason obtain the full federal funding possibly awailable for such planning under the presuant the busine and commenting Development that of 1974. 11259

almibutable to that capacity in excess of manual millions reads

otaminimum
ostaminimum
ostaminimum
ostational ost
ostational
ostat

The original development cost of these utilities would require bonne by the the remark funding by both parties, to concurrent, appropriate program funding by both parties, to serve the civilian community on a guaranteed basis. The logic behind this position is that the civilian community would be assured of adequate utilities devleopment at the same time as the military utility development is constructed. It would reduce possible future frictions based upon the need 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 study and input by both parties.

B. Roads

The position on this subject as presented by the Marianas

Amount delegation in its position paper on general uses is unacceptable

offerty to the United States Heppen was remembered by the Marianas

road a Accordingly, this Cemmittee Marianas

C. Medical Care vecenment a hone on this topic.

In accordance with rest applicable quite lines and regulations.

Temergency care for tinten citizens men be promised for the fair.

possible. Additionally, medical care on a non-emergency basis may be provided to the residents of Tinian where civilian capability is non-emergency, subject to the capacity, and capability of the military and professional staff and availability of facilities.) Whether or not a hospital is to be built at the

Neimbassement rates,

military complex on Tinian or only a dispensary, as yet to

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 military services in other locations be entered into between the military facility on Tinian and the local community so that maximum beneficial use may be made of military and civilian capability as available on a reciprocal basis at minimum cost to either party. This insures maximum protection possible to both the civilian and military communities.

E. Fishing Rights

fished the waters in and around the northern two thirds of Tinian as well as many dreas of the southern one third of

line areas in and around the northern two-thirds of Tinian shall remain open to fishermen, except for those certain areas that must be closed permanently or temporarily due to safety, security and hazardous possibilities developing from maneuvers or that activity would interefer with military activity or commercial flight activity Common wascardous of the common that activity or commercial

F. Beach Access

As was established in prior negotiations, it has be agreed by the United States that there shall be access to beach areas in the northern two-thirds of Tinian for recreational

purposes by the civilian community. It is understood that during times of maneuvers and military operations certain beaches or areas of the beach will be inaccessible. However, closure for such purposes shall be kept to a minimum consistent with military mission requirements. Conduct and use shall be governed by applicable military regulations. Use will principally be governed by the interests of safety and security. It is recognized that some beaches may be permanently closed due to military requirements.

G. Other Recreational Facilities

Marianas Position. It is the position of the Marianas delegation that whenever and wherever possible access on a non-discriminatory basis for both civilian and military communi ties will be the rule with respect to all recreational faci (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 the 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 he neercourt for the military to ecoablish pariods of the t 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 discussion 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".

U.S. Position. Time phase development suggests that the civilian community plan for continued independence and self-reliance. Since morale, welfare, and recreation facilities are constructed for, and normally are restricted to the use of active duty military personnel and their dependents and certain other

made available to the civilian populace. Additionally, morale, welfare and recreation activities receive support from appropri-

ated funds, military welfare funds, and other self-generated non-appropriated funds. Accordingly, eligibility for their use is stringently controlled. As a general principle the installation commander reporting through channels and as authorized as approved by appropriate authority will review each request and act within existing regulations and applicable law. Recognizing that this is a delicate and sensitive area, and with the intent of fostering a cordial military-civilian interface the U.S. recommends that agreements would be premature and will not be made until such facilities are available at which time the matter will be given further serious consideration.

H. Schools

The principle of joint use of school facilities has been established prior to the meeting of the Land Committee. Additionally, with the Mariana Islands becoming part of the United States, it is the general position of the U.S. that educational facilities for military dependents be established in accordance with approved federal policies:

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 attention in the Marianas as quickly as possible after the Marianas comes under separate administration. It was recognized that

Explanation Occupy

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 (m/ Commissan.

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

J. Base Movies

Use of base movies by the civilian community as guests in accordance with existing regulations is an appropriate principle.

IV. Lease Back Arrangement

On September 10, 1974, the Marianas delegation to the Join
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 delineat
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 pounited States indicated its desire to differentiate between
1,200 acres (±) south and east of the proposed runway and cti-

possible areas of leaseback pursuant to a U.S. tentative position enunciated by Ambassador Williams.

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., five years—and being made available without customary cost restrictions 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 resolved.

In reference to other possible leaseback areas, including the training maneuver area, the acreages involved would vary from time to time depending, inter alia, on U.S. needs and applicable regulations. Initially, there would be extensive land available for certain agricultural and grazing purposes until such time as considered for agricultural and grazing purposes until such time as time went on, this acreage leaseback capability went be substantially reduced. No specific figures or acreages were promised by the United States. The United States position is that land that is not needed for immediate use will be made available for certain agricultural and grazing leaseback, subject to all terms and conditions necessary in reference to land and would be leased that

The live raines was believed to be here to come to com

Speafrelly the syn Who exest to the Who exest to desert we main to based Should the Colombia Should the Colom 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 there is any substantial value in reference to one of these lease areas, it would be done on a competitive basis regardless of the identity of the lessee. 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:

Area	Amount per Acre	Total :
Farallon de Medinilla 229	\$ 100	22,900
Isley Field 482	1,000	482,000
Tanapag Harbor 195	reactive following a section of	
Island of Tinian Retention Land 8,452	300	2,535,600
Public Land 8,223 Non-Public Land on		nga garayan na salika bili da Tangan
Tinian (Residential)700	2,000	1,400,000
Commercial Land 100.	3,500	350,000.
TOTAL	. \$1	1,661,400

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. No expalmation was offered for this reason
of ommission. The estimate didn't take into consideration
the rights of the United States in the retention areas or
subsequent use by the Commonwealth. A copy of that preliminary estimate of value dated September 21, 1974, is
marked Exhibit An 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 method as the Marianas consultant used, came up with an estimate. for the same lands in question (excluding Farallon de Medinilla) 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.

ond centrum or rear e on

Mr. Markon explained that the figure of \$10,529,600, represented the consensus of the several U.S. Government real estate value experts opinions utilizing the approach to value suggested by Mr. Seldin. The U.S. representative further explained the difference in the 10.5 million and the \$11.6 million figure was based upon a difference in method of determing price. It was stated that if the Marianas Delegation desired, the United States is willing to pursue the Seldin approach to value and submit an offer based on its conclusions, in which event the 11.6 million dollar offer would be withdrawn and futher negotiations would be predicated upon the results of this effort. The United States further advised that an offer under any method must take into consideration the rights of the United States has previously purchased in the retention areas. It was indicated this might produce a result of approximately, \$4 million.

Mr. Markin's presentation was a rebuttal of this offer by Mr. Selden. Questions were asked and answered but no compromises or effort to reach agreement as to the various specific areas of this agreement were made. Prior to any further negotiations the United States requested:

1. to be advised whether the Marianas Delegation desired the U.S.

to adopt the Selden approach to value in which case
the \$11.6 million offer is withdrawn and a revised

2. A firm offer from the Marianas Delegation with an explanation on the basis of such an offer.

The Marianas delegation promised that prior to the beginning of 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 considered in this evaluation or the offer by the United States.

સ્ત્રિકારો કોર્કે કે કાર કે જેલે હોલ્સી જે જેલે કર્યો છે. કેરા હોલ્સ કરે મોર્સ્ટિક કરો હોલ્સ કોર્ક કરો હોલ્સ સ સ્ત્રિકારો કોર્કે કે કાર કે જેલે હોલ્સી જે જેલે કર્યો છે. કેરા કોર્કિટ કેરા કેર્યો હોલ્સ કોર્ક કરો હોલ્સ કોર્ક