

OCTOBER 8, 1974

-- REPORT OF THE JOINT LAND COMMITTEE

-- INTRODUCTION

THE JOINT LAND COMMITTEE HAS HELD THREE WORKING SESSIONS BEGINNING ON SAIPAN ON JULY 15, 1974. THE SECOND SESSION, ALSO ON SAIPAN, EXTENDED FROM AUGUST 5, 1974, TO AUGUST 25, 1974. THE FINAL SESSION OF THE JOINT LAND COMMITTEE WAS HELD IN WASHINGTON, D.C., STARTING SEPTEMBER 19,

1974 AND CONCLUDING ON SEPTEMBER 27, 1974. TERMS OF REFERENCE AS APPROVED BY THE PRINCIPALS FOR THE UNITED STATES AND THE MARIANAS POLITICAL STATUS COMMISSION ON AUGUST 17, 1974 ARE ATTACHED.

INDIVIDUALS AT VARIOUS TIMES PRESENT FOR DISCUSSIONS OF THE JOINT LAND COMMITTEE WERE: FOR THE UNITED STATES: JAMES M. WILSON, JR., EMMETT RICE, WALTER APPELLE, ATHOL SMITH, DALE STRAIT, SAEGER POOLE, ROY MARKON, ARTHUR YOUNGREN, JOSEPH SAMARITANO, AND VERNE HILDERBRAND. FOR THE MARIANAS: PEDRO A. TENORIO, JOSE R. CRUZ, BENJAMIN G. MANGLONA, JAMES E. WHITE, HOWARD WILLENS, JAMES R. LEONARD, MICHAEL HELFER, MAURICE SELDIN, INA BECHOFFER, PAUL AMUNDSEN, AND ROBERT GREIGG.

ALL ISSUES WERE DISCUSSED THOROUGHLY, AND EACH DELEGATION PRESENTED POSITIONS. A LARGE MEASURE OF UNDERSTANDING WAS REACHED ON A NUMBER OF ISSUES AND TECHNICAL POINTS WHICH ARE REFLECTED IN THIS REPORT TO THE RESPECTIVE CHAIRMEN OF BOTH DELEGATIONS.

-- MAJOR SUBJECTS OF DISCUSSION

I. SURVEY.

SURVEY WORK IS NOW COMPLETE AND WILL BE MADE AVAILABLE TO THE MARIANAS POLITICAL STATUS COMMISSION PRIOR TO THE NEXT COMMISSION MEETING. IT WAS AGREED THAT SURVEY WORK WOULD BE UNDERTAKEN BY THE UNITED STATES TO SHOW THE SOUTHERN BOUNDARY OF THE UNITED STATES LAND REQUIREMENTS ON TINIAN, THE BOUNDARIES OF THE TANAPAG HARBOR AREA AND ISELY FIELD AND PROVIDE DESCRIPTIVE LANGUAGE FOR THE ISLAND OF FARALLON DE MEDINILLA.

II. SAN JOSE HARBOR - TINIAN

THE UNITED STATES TOOK THE POSITION AT THE START OF THE FINAL SESSION OF THE JOINT LAND COMMITTEE THAT IT REQUIRED THE ENTIRE SAN JOSE PORT, INCLUDING SPECIFICALLY AN AREA CONSISTING OF APPROXIMATELY 49.7 (50 PLUS OR MINUS) ACRES BOUNDING THE PORT AREA. JOINT USE OF FACILITIES WITHIN THE CONFINES OF MILITARY REQUIREMENTS IS CONTEMPLATED. NO PERMANENT WAREHOUSING CONSTRUCTION WAS VISUALIZED. THE 50 PLUS OR MINUS ACRES WAS BROKEN DOWN AS FOLLOWS:

-03-

023778

--	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 ESTIMATED THAT THE COST OF DEVELOPMENT OF THE HARBOR UNDER PRESENT CONDITIONS WOULD BE APPROXIMATELY \$11,000,000, BUT THIS ESTIMATE IS SUBJECT TO INFLATIONARY TRENDS, SHORTAGES OF LABOR, VARIATIONS AS A RESULT OF 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 WHARF AREAS: \$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; SETTING UP APPROPRIATE POL FACILITIES: \$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 THE TWO EASTERLY PARCELS (APPROXIMATELY NINE ACRES), TOGETHER WITH THE ADJACENT ROAD, AND THE RIGHT TO CONSTRUCT PERMANENT WAREHOUSING UPON THE NINE ACRE PLOT.

IN AN EFFORT TO RESOLVE THIS ISSUE THE FOLLOWING ALTERNATIVE SOLUTIONS WERE CONSIDERED AND ARE BEING PRESENTED:

ALTERNATIVE 1. NON-ACQUISITION BY THE U.S. OF THE EASTERLY TWO PARCELS (APPROXIMATELY NINE ACRES.) ALONG WITH THE ROAD 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 COULD BE ANTICIPATED UNDER THIS ALTERNATIVE OF COMMON FACILITIES,

AND WHEN APPROPRIATE AND AVAILABLE, OF THE OTHER'S FACILITIES ON A REIMBURSABLE BASIS. IT WAS FURTHER ANTICIPATED THAT THIS NINE ACRE DIMINUTION OF THE REQUIRED MILITARY PORT ACREAGE ACQUISITION MIGHT NECESSITATE AN EQUIVALENT ADJUSTMENT ACQUISITION IN ANOTHER ADJACENT AREA. (THIS IS NOW THE PREFERRED MARIANAS POSITION).

023779

ALTERNATIVE 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 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 ADEQUATELY 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 CONCURRENT HARBOR ACTIVITIES INVOLVING POL PRODUCTS AND OTHER COMMERCIAL CARGO LOADING AND UNLOADING. HOWEVER, THE MILITARY SAFETY REGULATIONS ARE SUFFICIENTLY STRINGENT IN A HARBOR AS SMALL AS SAN JOSE HARBOR TO IMPOSE SOME RESTRICTIONS ON CONCURRENT EXERCISE OF BOTH ACTIVITIES. BASED ON THE LIMITED INVESTIGATION THIS COMMITTEE HAS BEEN ABLE TO MAKE, IT WOULD APPEAR APPROPRIATE AND DESIRABLE THAT THE LESS STRINGENT COMMERCIAL STANDARDS BE ADOPTED, THUS MINIMIZING POSSIBLE INTERFERENCE WITH CIVILIAN ACTIVITY.

IT IS THE RECOMMENDATION OF THIS COMMITTEE THAT THE PORT OPERATION BE TURNED OVER TO THE CIVILIAN CONTROL OF THE GOVERNMENT OF THE MARIANAS AS SOON AS IS PRACTICABLE. HOWEVER, INITIALLY, THE GOVERNMENT OF THE MARIANAS WILL BE WITHOUT SUFFICIENT EXPERTISE AND CAPABILITY TO MANAGE THIS PORT FACILITY. CONSEQUENTLY, IT IS RECOMMENDED THAT PORT OPERATIONS BE DIRECTED BY THE UNITED STATES GOVERNMENT DURING THE INITIAL PERIOD OF MAJOR CONSTRUCTION OF THE

BASE 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 A 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.

023780

DURING THIS INITIAL PERIOD, THE UNITED STATES WILL ENCOURAGE THE DEVELOPMENT OF MARIANAS CAPABILITIES BY AWARDED PORT SERVICE CONTRACTS, WHENEVER POSSIBLE, TO QUALIFIED LOCAL FIRMS IF EXISTING LAWS AND REGULATIONS PERMIT SUCH PORT SERVICE CONTRACTS TO BE SO AWARDED ON A PREFERENTIAL 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 THAT THE SIX HUNDRED FOOT WHARFAGE AND NINE ACRES BACK-UP 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 THE REMAINING PORT AREA WILL BE USED BY THE UNITED STATES GOVERNMENT FOR ITS PURPOSES. 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 THE OTHER. A COORDINATED EFFORT TO INSURE SUCH JOINT USE IS NECESSARY.

DURING INITIAL OPERATIONS WHEN 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, 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 A COMMITTEE BE ESTABLISHED WITH MEMBERSHIP FROM BOTH THE UNITED STATES AND THE GOVERNMENT OF THE MARIANAS 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 THE MILITARY COMPLEX TO BE ESTAB-

LISHED ON TINIAN. THIS DOES NOT MEAN THAT MILITARY NON-CARGO VESSELS WILL NOT MAKE USE OF THE FACILITIES.

THE COMMERCIAL ^{AIRPORT} ON THE ISLAND OF TINIAN

A GREAT DEAL OF DISCUSSION CENTERED ON THE COMMERCIAL AIR FACILITY TO BE LOCATED WITHIN THE MILITARY COMPLEX, ADJACENT TO THE PROPOSED NEW RUNWAY TO BE DEVELOPED BY THE U.S. ON TINIAN. #AT THE SECOND SESSION OF THIS COMMITTEE,

023781

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. IN THE VIEW OF THE MARIANAS REPRESENTATIVES THESE NEEDS ARE 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.

THE FOLLOWING GENERAL PRINCIPLES HAVE BEEN TENTATIVELY AGREED UPON:

1. THE GOVERNMENT OF THE MARIANAS AND THE CIVILIAN COMMUNITY SHALL, WITH THE EXCEPTIONS OF SAFETY OF FLIGHT AND NON-INTERFERENCE WITH MILITARY OPERATIONS, HAVE CONTINUOUS JOINT USE OF THE RUNWAY TO BE DEVELOPED AT WEST FIELD, TINIAN, AND DESIGNATED TAXI-WAY(S) ADJACENT THERETO. FURTHERMORE, 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 NATIONAL 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 NATIONAL INTERESTS SO REQUIRE PURSUANT TO APPLICABLE REGULATIONS AND GUIDELINES.

(C) CONSTRUCTION AND REPAIR. THE USE OF A RUNWAY AND TAXI-WAY(S) 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 NEAR TO THE RUNWAYS AND RELATED TAXI-WAYS OF THE MILITARY COMPLEX AS IS PRACTICABLE. THE INITIAL LOCATION OF THESE

023782

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. THE POSITION OF THE MARIANAS DELEGATION IS 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 ON THE OVERALL ISSUE OF TERMINAL REPLACEMENT. ACCORDING TO THE U.S. DELEGATION SUCH A COMPROMISE WOULD REQUIRE A WAIVER OF MILITARY CONSTRUCTION REGULATIONS AND POSSIBLY AN EXCEPTION TO EXISTING U.S. LAW. THE U.S. RECOMMENDS INVESTIGATION OF FUNDING POSSIBILITIES FROM OTHER GOVERNMENT AGENCIES SUCH AS FAA. 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 USE OF THE RUNWAY AND ADJACENT TAXI-WAY(S) BY THE CIVILIAN COMMUNITY WILL CONTINUE TO EXIST ON THE SAME BASIS AS BEFORE RELOCATION, 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 BASIS BY THE UNITED STATES TO THE GOVERNMENT OF THE MARIANAS FOR ITS AIRFIELD RELATED NEEDS AND FOR 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.

023783

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. IT IS UNDERSTOOD THAT SHOULD INTERRUPTIONS OF THE USE OF THE PRESENT WEST FIELD AND ITS TERMINAL FACILITIES BE NECESSARY DUE TO THE CONSTRUCTION OF THE NEW FACILITIES, THERE WILL BE CLOSE COORDINATION WITH THE GOVERNMENT OF THE MARIANAS TO INSURE AS LITTLE HARDSHIP AS POSSIBLE.

6. ALL USE OF MILITARY HANGERS AND RELATED MAINTENANCE FACILITIES BY CIVILIAN AIRCRAFT WILL BE IN ACCORDANCE WITH THE THEN-EXISTING HOST SERVICE GUIDELINES AND FEES.

7. NO AGREEMENT WAS REACHED ON THE SUBJECT OF LANDING FEES TO BE COLLECTED AND THEIR ULTIMATE DESTINATION.

8. CURRENT UNITED STATES PLANNING IS TO CONSTRUCT A LIGHTED, INSTRUMENTED, RUNWAY WITH APPROPRIATE NAVIGATIONAL AIDS. THE UNITED STATES WILL PROVIDE AIRCRAFT AND STRUCTURAL FIRE PROTECTION SERVICES 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. CUSTOMS 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 ARRANGED FOR BY THE GOVERNMENT OF THE MARIANAS.

023784

IV. JOINT USES

JOINT USES MAY BE CATEGORIZED AS 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 OUTPATIENT 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 COMMITTEE. MATTERS OF GENERAL AND SOCIAL JOINT USES CAME UNDER FULL DISCUSSION, HOWEVER, AT THE INSISTENCE OF THE MARIANAS DELEGATION, WITH THE FOLLOWING RESULTS:

A. UTILITIES

THE COMMITTEE DISCUSSED ELECTRICAL POWER, NATURAL GAS (SHOULD THAT EVER BECOME A REALITY, WHICH AT THE PRESENT TIME DOES NOT APPEAR LIKELY), TELEPHONE AND TELEGRAPH FACILITIES (IF FEASIBLE), WATER SUPPLIES, SEWAGE, AND SOLID WASTE DISPOSAL.

IN UNUSUAL CASES THE UNITED STATES CAN MAKE EXCESS CAPACITY OF UTILITIES AVAILABLE TO A CIVILIAN COMMUNITY ON AN APPROPRIATE FEE BASIS. THIS PROCEDURE GENERALLY PROVIDES USE OF THESE EXCESS CAPACITIES WITHOUT ANY CONTRIBUTION INTO THE DEVELOPMENT COSTS OF THESE CAPACITIES. THE UNITED STATES

WOULD BE UNDER NO OBLIGATION TO INSURE OR CREATE ANY GUARANTEED CAPACITY FOR THE CIVILIAN COMMUNITY ON TINIAN UNDER THIS POLICY. THIS POLICY WILL APPLY ON TINIAN. THE CIVILIAN COMMUNITY MAY AVAIL ITSELF OF EXCESS CAPACITY AS AVAILABLE. DURING DEVELOPMENTAL PHASES A SUBSTANTIAL EXCESS CAPACITY IS ANTICIPATED.

AN INQUIRY WAS MADE INTO WHETHER OR NOT PLANNING AND DEVELOPMENT OF BASE UTILITIES COULD INCORPORATE THE NEEDS OF THE ENTIRE ISLAND AND NOT JUST THOSE OF THE BASE.

IT APPEARS DESIRABLE AND APPROPRIATE THAT THE UTILITIES PLANNING AND DEVELOPMENT 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 STATES WOULD NEED TO BE CLOSELY COORDINATED WITH GOVERNMENT OF THE MARIANAS PLANNING. THE MARIANAS WOULD BEAR THE COST OF THE CIVILIAN PLANNING EFFORT, EITHER BY DOING THE WORK ITSELF OR BY PAYING THE U.S. IT WOULD APPEAR APPROPRIATE AND DESIRABLE THAT THE GOVERNMENT OF THE TTPI TAKE NECESSARY ACTION TO OBTAIN FULL FEDERAL FUNDING POSSIBLY AVAILABLE FOR SUCH PLANNING PURSUANT TO THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974. BASED ON THE COORDINATED PLANNING ACTIVITY, SHOULD THIS APPROACH BE ADOPTED, UTILITIES WOULD BE DEVELOPED OF A SUFFICIENT SIZE FOR BOTH THE MILITARY AND CIVILIAN COMMUNITIES. THAT PORTION OF THE ORIGINAL DEVELOPMENT COST OF THESE UTILITIES ATTRIBUTABLE TO THAT CAPACITY IN EXCESS OF MILITARY NEEDS WOULD BE BORNE BY THE GOVERNMENT OF THE MARIANAS, SO THAT THE CIVILIAN COMMUNITY CAN BE SERVED 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 AS THE MILITARY UTILITY DEVELOPMENT IS CONSTRUCTED AT A MINIMUM COST TO THE MARIANAS AND AT NO ADDITIONAL COST TO THE UNITED STATES. THE MARIANAS COULD, OF COURSE, CHOOSE NOT TO PARTICIPATE IN PARTICULAR UTILITY PROJECTS, BUT INSTEAD TO UTILIZE THE EXCESS CAPACITY OF THE MILITARY PROJECTS, WHEN AVAILABLE.

BOTH DELEGATIONS AGREED THAT DEVELOPING THIS BASIC PRINCIPLE REQUIRES FURTHER STUDY AND INPUT BY BOTH PARTIES.

IT WAS FURTHER AGREED THAT POTABLE WATER WILL BE MADE AVAILABLE TO THE U.S. BY THE GOVERNMENT OF THE MARIANAS ON AN APPROPRIATE FEE BASIS.

B. ROADS

THE POSITION OF THE MARIANAS DELEGATION PRESENTED IN ITS POSITION PAPER ON GENERAL USES RELATIVE TO ROADS IS THAT THE SAN JOSE VILLAGE AND SAN JOSE HARBOR ROADS SHOULD BE EXPANDED, PAVED, MARKED, AND MAINTAINED BY THE U.S.; THAT OTHER CIVILIAN SECTOR AND DEVELOPMENT AND MAINTENANCE COULD BE THE RESPONSIBILITY OF EITHER PARTY; THAT THE

JOINT MILITARY CIVILIAN RELATIONS COMMITTEE SHOULD DETERMINE RESPONSIBILITY; THAT IF DETERMINED TO BE A CIVILIAN SECTOR RESPONSIBILITY THE COMMITTEE COULD OPT TO INCLUDE THE EXERCISE IN THE MILITARY PROGRAM ON A REIMBURSABLE BASIS; AND THAT THE CIVILIAN SECTOR SHOULD BE ALLOWED USE OF MILITARY ROAD EQUIPMENT WHEN NOT NEEDED BY THE MILITARY. NO AGREEMENT WAS REACHED ON THIS ISSUE.

C. MEDICAL CARE

IT WAS AGREED THAT IN ACCORDANCE WITH APPLICABLE GUIDELINES AND REGULATIONS EMERGENCY CARE FOR ALL CITIZENS WILL BE PROVIDED BY THE MILITARY. ADDITIONALLY, MEDICAL CARE ON A NON-EMERGENCY BASIS WILL BE PROVIDED TO THE RESIDENTS OF TINIAN WHERE CIVILIAN CAPABILITY IS NON-EXISTENT, SUBJECT TO THE CAPACITY, AND CAPABILITY, OF THE MILITARY AND PROFESSIONAL STAFF AND AVAILABILITY OF FACILITIES. COSTS FOR ALL MEDICAL CARE WILL BE AT THE PREVAILING REIMBURSEMENT RATES.

D. FIRE FIGHTING

IT IS THE RECOMMENDATION 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

IT IS UNDERSTOOD AS A GENERAL PRINCIPLE THAT ALL SHORELINE AREAS IN AND AROUND THE NORTHERN TWO-THIRDS OF TINIAN SHALL REMAIN OPEN TO FISHERMEN AT ALL POSSIBLE TIMES EXCEPT FOR THOSE LIMITED AREAS THAT MUST BE CLOSED

PERMANENTLY OR TEMPORARILY DUE TO SAFETY, SECURITY AND HAZARDOUS POSSIBILITIES DEVELOPING FROM MANEUVERS OR WHEN OTHER MILITARY ACTIVITY OR COMMERCIAL FLIGHT ACTIVITY CANNOT REASONABLY BE ACCOMPLISHED IF FISHING IS PERMITTED.

023786

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 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. MARIANAS CITIZENS SHALL HAVE THE SAME ACCESS TO BEACHES FOR RECREATIONAL PURPOSES AS MILITARY PERSONNEL AND THEIR DEPENDENTS HAVE FOR RECREATIONAL PURPOSES.

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 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 APPROPRI-

ATE 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. CURRENT TIME PHASED BASE DEVELOPMENT PLANNING 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 ELIGIBLE PERSONNEL. THE USE OF SUCH FACILITIES ARE NOT NORMALLY MADE AVAILABLE TO THE CIVILIAN POPULACE. ADDITIONALLY, MORALE, WELFARE AND RECREATION ACTIVITIES RECEIVE SUPPORT FROM APPROPRIATED 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 WHICH ENCOURAGE INTEGRATED SCHOOL SYSTEMS AND PROVIDE FOR A DEPENDENT'S SEPARATE SCHOOL ONLY WHEN THE LOCAL COMMUNITY CANNOT OR WILL NOT PROVIDE SUITABLE EDUCATION.

023788

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--PLEGGED 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 AND COMMISSARY

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

THE U.S. POSITION IS THAT USE OF BASE MOVIES BY THE CIVILIAN COMMUNITY AS GUESTS IN ACCORDANCE WITH EXISTING REGULATIONS IS AN APPROPRIATE PRINCIPLE. THE MARIANAS POSITION ON THIS TOPIC IS GENERALLY STATED IN IV, G (SUPRA).

V. LEASE BACK ARRANGEMENTS

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 THE 1,200

023789

ACRES (PLUS OR MINUS) SOUTH AND EAST OF THE PROPOSED RUNWAY AND THE TANAPAG AND ISELY AREAS FROM OTHER POSSIBLE AREAS OF LEASEBACK ON TINIAN. AMBASSADOR WILLIAMS HAS ALREADY INDICATED THAT THE 1,200 PLUS OR MINUS ACRES, AND THE TANAPAG AND ISELY AREAS WOULD BE LEASED BACK AS SOON AS PRACTICABLE ON A LONG TERM BASIS FOR A NOMINAL SUM SUBJECT TO THEIR BEING USED IN A MANNER COMPATIBLE WITH MILITARY NEEDS.

ACCORDING TO THE U.S. DELEGATION, IN ORDER FOR THIS ACREAGE TO BE MADE AVAILABLE FOR A PERIOD LONGER THAN THE MAXIMUM NORMALLY ALLOWED UNDER REGULATIONS--I.E., FIVE YEARS--AND TO BE 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 THIS ACREAGE.

IN REFERENCE TO OTHER POSSIBLE LEASEBACK AREAS WITHIN THE TINIAN BASE BOUNDARY, 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 THE MILITARY NEEDED TO USE ANY OF THESE GIVEN AREAS. AS TIME PROGRESSES, THIS ACREAGE LEASEBACK CAPABILITY WILL 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 LEASEBACKS, SUBJECT TO ALL TERMS AND CONDITIONS NECESSARY IN REFERENCE TO LAND, AND WOULD BE LEASED BACK IN ACCORDANCE WITH 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 THEN 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 THE U.S. POSITION RELATIVE TO THESE OTHER AREAS. SPECIFICALLY, THE MARIANAS DELEGATION BELIEVES THAT THE MAXIMUM FEASIBLE AMOUNT OF LAND SHOULD BE LEASED BACK TO THE GOVERNMENT OF THE MARIANAS ON A NOMINAL FEE BASIS AS PROMPTLY AND FOR AS LONG A PERIOD AS POSSIBLE NOTWITHSTANDING THE USUAL UNITED STATES PRACTICE.

023790

VI. 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 \$11,661,40 BROKEN DOWN AS FOLLOWS:

AREA	ACRES	AMOUNT PER ACRE	TOTAL
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	350,000
TOTAL		\$11,661,400	

THEREAFTER DURING THIS MOST RECENT SESSION, THE MARIANAS DELEGATION PRESENTED A FAIR MARKET VALUE PRELIMINARY STUDY OF ALL AREAS OF LAND REQUIRED BY THE UNITED STATES FOR MILITARY PURPOSES, WITH THE EXCEPTION OF FARALLON DE MEDINILLA AND CERTAIN ACREAGES ON TINIAN, SHOWING A PRELIMINARY ESTIMATE OF \$34,274,000 AS FAIR MARKET VALUE FOR A FEE SIMPLE INTEREST. THIS ESTIMATE DID NOT CONSIDER ENCUMBRANCES ON THE LAND IN QUESTION. A COPY OF THAT PRELIMINARY ESTIMATE OF VALUE DATED SEPTEMBER 21, 1974 IS ATTACHED.

023791

THEREAFTER, AT THE REQUEST OF THE MARIANAS DELEGATION, MR. 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) AND CERTAIN ACREAGES ON TINIAN) OF \$10,529,600. A COPY OF THIS ESTIMATE IS ATTACHED.

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 DIFFERENCE IN THE \$10.5 MILLION AND THE \$11.6 MILLION FIGURE WAS BASED UPON A DIFFERENCE IN METHOD OF DETERMINING 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 FURTHER 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.

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.

PRIOR TO ANY FURTHER NEGOTIATIONS THE UNITED STATES REQUESTED:

1. TO BE ADVISED WHETHER THE MARIANAS DELEGATION DESIRED THE U.S. TO ADOPT THE SELDIN APPROACH TO VALUE IN WHICH CASE THE \$11.6 MILLION OFFER IS WITHDRAWN AND A REVISED OFFER WILL BE MADE.

023792

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 FROM MILITARY USE AND BASED ON A METHOD OF ACQUISITION AND PAYMENT ACCEPTABLE TO THE MARIANAS DELEGATION WILL BE SUBMITTED. THE FURTHER PROB-

LEM OF THE 22 PLUS ACRES OF LAND PRESENTLY BEING USED ON SAIPAN BY THE UNITED STATES COAST GUARD HAS NOT BEEN CONSIDERED IN EITHER EVALUATION OR IN THE OFFER BY THE UNITED STATES.

VII. METHOD OF ACQUISITION

IT WAS AGREED THAT THE RESPECTIVE POSITIONS ON THE METHOD OF ACQUISITION OF MILITARY LANDS IN THE MARIANAS BY THE UNITED STATES GOVERNMENT HAD BEEN ADEQUATELY STATED BY BOTH DELEGATIONS DURING PREVIOUS ROUNDS OF NEGOTIATIONS. NEITHER SIDE WAS PREPARED TO CHANGE ITS POSITION. THE UNITED STATES CONTINUES TO WISH TO ACQUIRE THESE LANDS BY PURCHASE IN FEE SIMPLE. THE MARIANAS POLITICAL STATUS COMMISSION TAKES THE POSITION THAT A LEASE OF THESE LANDS TO THE GOVERNMENT OF THE UNITED STATES FOR A TERM OF FIFTY YEARS WITH AN AUTOMATIC OPTION TO RENEW ON A THEN RENEGOTIATED RATE FOR AN ADDITIONAL FIFTY YEARS

ADJUSTED PAYMENTS IS AN APPROPRIATE METHOD OF ACQUISITION. THIS ISSUE IS REFERRED TO THE PRINCIPALS ON BOTH DELEGATIONS FOR FURTHER DISCUSSION.