



Northern Mariana Islands

OFFICE OF TRANSITION STUDIES AND PLANNING
NORTHERN MARIANA ISLANDS
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

March 17, 1977

The Honorable Sidney R. Yates
Chairman, Subcommittee on Interior
House Appropriations Committee
U.S. Congress
Washington, D.C. 20510

Dear Mr. Chairman:

About a year ago, the President's Personal Representative to the Micronesian Status Negotiations and representatives from the people of the Northern Mariana Islands testified before your Committee to request funds which would enable the people of the Northern Marianas to conduct certain studies and to develop plans and programs necessary to an orderly transition to self-government and commonwealth status in the territory. Congressional appropriation in the amount of \$1.5 million was subsequently authorized pursuant to Public Law 94-27.

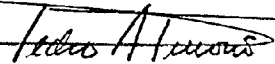
As Director of the Office of Transition Studies and Planning, Government of the Northern Mariana Islands, and primarily charged with the responsibility to implement the mandate of Public Law 94-27, it is my honor and privilege to respectfully submit to you and your Committee the attached progress reports which also indicate the status of the Congressional funds as well as the various activities currently being undertaken by the Office of Transition Studies and Planning in accordance with Public Law 94-27.

For your information, one of our primary tasks, that of planning for a constitutional convention and a constitutional referendum, has been completed. Our people voted 93.2% in favor of ratifying the locally drafted Marianas Constitution.

Our studies and planning activities for the new Marianas government under the Constitution will be completed prior to the installation of the new government expected to be instituted in early 1978.

On behalf of the Marianas people, I wish to extend their appreciation for the generosity of your Committee in making the funds available to make possible the completion of those very unique and useful plans for the future of the Commonwealth of the Northern Mariana Islands in political union with the United States of America.

Sincerely yours,


Pedro A. Tenorio, Director

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MEMORANDUM

TO: All Members December 28, 1976
U.S.-Marianas Joint Commission on Transition

FROM: Director, Office of Transition Studies
and Planning

SUBJECT: Year-end Status Report on Activities of OTSP (June-December 1976)

The attached subject report is submitted on the occasion of the completion of the first six months of full-scale operation and the advent of the new calendar year, 1977.

The principal purposes of this report are to review progress of OTSP activities to date, inform members of current and prospective problems and to seek guidelines in certain areas of concern. A subsidiary but an important objective is to prepare for an internal audit by the Office of the Comptroller, Guam, scheduled for early in 1977.

We have attempted to keep this report brief by including only those items which seemed to us worthy of mention. Therefore, we would be happy to furnish additional information or views in case of any of the members have particular questions or requests. It is my hope that the Commission will meet in a formal session shortly after the new U.S. Administration and new NMI Legislature assume their respective responsibilities in order to review progress of the transition tasks and to develop pertinent guidelines for the operation of OTSP during 1977.

Pedro A. Tenorio

Attachment

/es

YEAR-END STATUS REPORT ON ACTIVITIES OF THE
OFFICE OF TRANSITION STUDIES AND PLANNING

Background

Pursuant to a decision in May, 1974 of the MPSC and the U.S. Status Negotiator, Ambassador F. Haydn Williams, and subsequent U.S. legislation the Office of Transition Studies and Planning (OTSP) was established in late May of 1976. The primary goal of this action was to achieve an orderly transition to self-government within agreed time frame, with full-fledged U.S. Commonwealth status at the time the U.S. Trusteeship is terminated.

The basic charter of OTSP is the special report of the Joint Ad-Hoc Committee on Transition, which served as the basis for a U.S. Congressional authorization and appropriation in 1975-6, PL 94-27; this action provided a total of \$1.5 million for a two-year program of studies and designated transition activities and events.

The OTSP was organized to be the implementing agent of the Joint Commission with a small staff of professionals supported by expert consultants and an appropriate administrative staff (See Appendix A, Organizational Chart).

A budget for the OTSP, based on the Congressional submission for \$1.5 million, was drafted in May of 1976 and approved by the Commission with minor changes in late June. Recruitment of a Director, Deputy Director, Washington Liaison Officer and an Assistant Director for Economics and Finance was accomplished in May, and the staff began to function in a rented office building near Charlie Dock in Puerto Rico shortly thereafter. The remainder of the professional staff, an Assistant Director for Public Administration and an Assistant Director for Physical Planning were recruited prior to the end of October 1976. A list of the OTSP staff is in Appendix B.

A detailed work program was circulated by the Director, OTSP, for comment and approval by the Commission in early July of 1976.

This followed the awarding of two prime contracts to specially well-qualified firms. The first went to Robert R. Nathan Associates for a comprehensive social-economic study including studies on fiscal and revenue planning and recommended legislation or specific recommendations, a key element of the transition program approved by both branches of the U.S. Government. The second contract was awarded to the law firm of Wilmer, Cutler and Pickering to complete appropriate briefing papers for delegates to the Northern Marianas Constitutional Convention and to provide qualified legal and technical staff support to the Convention.

Additional information pertinent to these contracts can be found in later separate sections of this report.

It became apparent in the early stages of the program that combining several of the projects listed in the report of the Ad-Hoc Committee would yield considerable savings and avoid possible duplication or inconsistencies. Consequently, it was decided, with the approval of the Commission, to include the study for "fiscal and revenue planning" and "an assessment of the impact of the relocation of the TT capital" in the basic contract for Economic and Social Planning, which was undertaken by Robert R. Nathan Associates in June, 1976.

Later, it was decided to include the "planning of an initial legislative program" with the project on the "planning for the organization of the new Commonwealth government - "Research and Planning Government Reorganization."

Other major amendment to the draft program, as approved during the Fourth Round of the negotiations in 1974 were: (1) the allocation of an additional \$100,000 for studies and planning of a constitutional convention, including legal and technical staff support of the Constitutional Convention delegates. This necessitated reductions in amounts previously earmarked for political education, the expenses of the ConCon itself and research into federal programs and services; and (2) the addition of 30K to the project on government organization which was originally budgeted at 100K. The most recent change stems from the results of the negotiation of a contract with the Pacific Planning and Design Consultants, who have agreed to undertake the comprehensive physical planning program at a lower project cost than originally budgeted for. This phase of OTSP activities will be conducted in close coordination with those working on economic-social planning as well as other projects being conducted or are underway. This final figure (ceiling) for this contract was considerably less than the original \$225K earmarked for Physical Planning. OTSP realized a savings of \$50,000, \$20,000 of which was used for the IPA contract. It is our intention to reserve the balance of the savings for initial A&E work on high priority physical improvement projects.

A summary of the current program, reflecting all changes as approved by the Commission is in Appendix C.

Another major facet of the program is the work of the Washington Liaison Officer, Mr. Edward DLG. Pangelinan, who established an office in downtown Washington early in July. The primary function of this officer is to research federal laws and programs for which the new Government of the Northern Marianas (GNMI) is or will become eligible and to make recommendations as to the method and timing of application. Associated with this primary task but subordinate to it is the need to liaison with interested U.S. departments and agencies, including the U.S. Congress, and to act for the Director in contacts with the home offices of the several U.S. contractors doing projects for OTSP. He has also spent considerable time assisting visitors from the Marianas and in discussions with various U.S. individuals and firms interested in doing business with or assisting the Northern Marianas Government. A separate

and more comprehensive report will be forthcoming to the Commission from the OTSP Washington Liaison Office.

Major Accomplishment to Date

Using the June 29, 1976 OTSP work program as a guide, the following comments are offered concerning work accomplished during the first seven months of operation:

1. The contract for background studies and staff support for the ConCon, undertaken by WC&P last June, has been successfully completed. Final payment was made to Mr. Willens, the firm's principal representative, during the final days of the ConCon. These principals concerned with the work of this firm and with the results of the Convention, e.g. the delegates and officers of the Convention have extolled the work of the team of researchers-lawyers led by Mr. Willens. It is clear that the success of the 50-day Convention is in large part due to the thorough preparatory work of WC&P and their unstinting and highly professional support of the Convention officers and delegates. In short, the \$150,000 paid to the firm of WC&P proved to be a very judicious and productive investment. In fact, it is clear that the total cost of the efforts expended by WC&P in behalf of this crucial event substantially exceeded the 150K payment. However, since the contract stipulated a firm ceiling of 150K, the OTSP was not asked to make up the difference via an amendment to the contract or some other means.
2. The funding and related administrative support of the Convention itself, including the election of delegates, did not require any augmentation from other program areas as the NMIL appropriated 30K and made available equipment and manpower. At this time, it appears that the final costs of the Convention, including the costs of translation and printing, will not exceed the 75K earmarked in the program for this purpose.
3. In the area of economic and social planning, a contract with Robert R. Nathan Associates was signed on June 18, 1976 to provide OTSP with professional planning assistance and service in the preparation of the:
 - (1) multi-year socio-economic development plan;
 - (2) multi-year government fiscal and financial plan; and
 - (3) assessment/impact study of TT capital relocation upon local conditions in the Northern Marianas.

The contract states that "This plan must serve as both a statement of the development goals and aspirations of the people of the

Northern Marianas, and, for the new Government of the Northern Marianas, as a practical working document to guide economic and social development activity."

The detailed planning work to be performed by RRNA is outlined in the "Scope of Work" appended to the contract. This scope of work had been subsequently refined to include a timetable for completion of each major planning tasks. The progress of this planning effort is substantially "on schedule". The data collection for the sectoral resource base studies has substantially been accomplished and write-ups on these base studies are either being completed or in process of being finalized.

We have just begun internal (OTSP-contractor) discussion on development "strategies", especially with respect to major policy areas, e.g. taxation, alien labor, housing, etc. Much attention has also been focused in recent weeks on "transitional" problem, e.g. the critical steps to be taken by the current Administration in getting Northern Marianas prepared for the installation of the constitutional government. Robert Nathan and Jim Leonard have focused on such problems during their recent visit to Saipan.

Requirements for short-term planners/specialists have been identified and process of recruiting these specialists has begun, e.g. Public Safety expert, public health expert, Tax and Public Fiscal expert, etc. Also a number of federal program representatives have visited with OTSP: Public Health Planning officials, HEW; Medicaid and medicare officials, HEW; U.S. Social Security representative.

4. The selection of a prime contractor for research and studies in the area of government reorganization and public administration. In early October of 1976, a contract was signed with the President of the Institute of Public Administration for work in this area, including the drafting of an initial legislative program. This action followed weeks of search and review of several proposals from reputable firms in the U.S. Although the final contract figure exceeded by 30K the sum total of amounts previously earmarked for work in these areas, the Commission approved it following assurances that the deficit could be covered from other program areas. For example, the success achieved in negotiating the contract for physical planning at a figure substantially below the 225K originally earmarked (to 175K) permitted us to divert 20K from this project to cover the stipulated ceiling of the IPA contract. One important and immediate bonus of this action was that it made possible the presence of Dr. Howard Mantel, Director of Government Programs of IPA, during the early weeks of the ConCon. His contribution to the Committees on Finance, Local Government and Other Matters, and Government Institutions was both timely and substantial and was greatly appreciated by all concerned. His services during the Convention were of particular value because he

brought it to perspectives and special knowledge not present in the group of experts headed by Mr. Willens. The ConCon also served as an excellent introduction to the Marianas for Dr. Mantel, who will serve as the director of the IPA project.

We are on the eve of completing our negotiations with Dr. Mantel on a detailed work program - this will be completed when the IPA team of two professionals arrives in Saipan later in January. IPA also hired a local resident, Mr. Gus Tagabuel, who is actively gathering information in advance of Dr. Mantel's return to the Marianas.

5. To accomplish the work called for by the Commission in the area of physical planning, a contract was negotiated with Pacific Planning and Design Consultants following the recommendations of a Selection Board which met on October 29, 1976. This firm was the unanimous choice to undertake the Comprehensive Physical Planning Program for the Northern Marianas. Pacific Planning and Design Consultants (PPDC) is a multi-discipline firm that offers professional services in planning, architecture, engineering and survey. PPDC is a joint venture between the firms of Sunn, Low, Tom and Hara, Inc., a Hawaii-based firm with offices in Guam; Thomas J. Davis, Inc., Guam and Saipan; and Juan C. Tenorio and Associates, Inc., Guam and Saipan. A planning team is based on Saipan and is under the administrative supervision of Juan C. Tenorio, a registered professional engineer and a native of the Northern Marianas. The resident planning team is actively collecting data. Concurrently, they are doing "fast track" planning primarily to establish existing conditions and to identify critical problem areas with interim solutions to set the stage for the implementation process. The contract with PPDC calls for close collaboration with the resident team of professionals from RRNA, who are responsible for submitting a comprehensive economic and social development plan for the new government of the NMI. An on-site visit of Rota and Tinian and Pagan for data collection and local consultation will take place in early January of 1977.
6. In the area of political education, aimed at the referendum on the draft Constitution, planned for early March of this year, the OTSP took the initiative by proposing an overall plan of action to the ResCom and leaders of the Legislature. Several hundreds copies of the Constitution have been distributed to the public at large, and close to three thousand copies are being printed for distribution to schools and the general public. The translation of the Constitution into the Chamorro and Carolinian languages is well underway and final completion including publication of those documents is expected in mid-January. The success of the overall political education program, to be financed mainly from the 25K earmarked for this purpose in the approved OTSP program, largely depends upon the willingness of the delegates and other designated

members to participate fully in the effort. The Northern Mariana Islands Legislature had recently acted and passed Act No. 434-1976 calling for the creation of a Political Education Commission to conduct political education in the Constitution. An appropriation of \$10,000 for the expense of the Commission was also recommended. The ResCom, office of Public Affairs, will also implement a comprehensive but objective informational program and will plan for and execute the referendum itself - with requisite funds made available from the OTSP budget. However, it is clear that a strong affirmative vote will depend in large part on the efforts of those local leaders who support the proposed constitution - i.e. their willingness to participate actively in local meetings, T.V. and radio programs, etc. OTSP anticipates spending a portion of the earmarked funds to launch these activities as related to political education on the Constitution.

7. The establishment of contacts on Rota and Tinian as well as on Saipan, resulted in the formation of local committees to assist OTSP in its research and to provide guidance on special local problems; OTSP key personnel visited Rota and Tinian in late September and early October, 1976 to consult with local leaders and to set up means of institutionalizing later contacts in the interest of obtaining necessary data and facilitating feedback from those most concerned with planning and how the new government can meet the most pressing needs or aspirations of local residents. During meetings with OTSP staff and consultants, the leaders of the several municipal councils were urged to establish Planning Advisory Councils to collaborate with the OTSP in drafting of the Economic, Social and Physical Plans, i.e. to provide data, recommendations and guidance, to review the progress of the plans and to generally be involved and be familiar with the studies and plans from inception to completion. Also, meetings have been held with the municipal councils during which OTSP plans and programs were explained and comments and cooperation from the councils were solicited. Subsequent visits were made by individual researchers of RRNA and more are planned over the next nine months. Present efforts to achieve these objectives are limited as the plans are all essentially in the data gathering stage. OTSP hopes to expand its contact to these groups and the public in the future as the plans developed and reached the stage requiring formal input by those concerned. In addition to the above contacts for review purposes, OTSP also alerted the Marianas Legislature of the need to review the on-going plans as some of them will, in the same capacity, be making judgment and be requested to formally act on the plans that are being developed.
8. OTSP Assistance to ResCom re Separation Issues vis-a-vis Trust Territory Government. OTSP staff, the Director and Mr. Sablan were asked to provide staff assistance to Rescom's office in the negotiations with TTG on separation issues, as well as to undertake a staff review of some key legislative programs received from NMIL.

OTSP has also been working closely with the Administration "revising" the FY 1978 budget for NMG - to update the original document to take account of the outflow of the separation agreements with TTG, the organizational framework of the constitutional government, and the need to re-orient the priorities of CIP's in light of budgetary constraints.

Major Administrative Events or Problems

There are at this time no major administrative issues or problems. A full complement of staff was recruited when Mr. Pedro Atalig, Esquire, of Rota, who had been on the staff of the Attorney General, NMG, was recruited in late October as the Assistant Director for Public Administration. A well-qualified professional, Mr. Pedro Sasamoto, a licensed civil engineer, formerly with TT Public Works, joined the OTSP in September and immediately began drafting documents in preparation for the basic request for proposal for the physical planning program. A contract for this activity has been let as indicated earlier in this report.

The Washington office was opened in the latter part of July, located near DuPont Circle, in Connecticut Avenue, N.W. and with the engagement of an executive secretary in November is now fully operational. A separate budget for the office was submitted by Mr. Pangelinan in October, and funds were transferred to a special account in Washington to permit him to pay all office expenditures, e.g. rent, secretarial salary, utilities, local travel, etc. The DOTA has agreed to monitor this account on a periodic basis to ensure proper accountability.

One major problem has arisen, concerning the Washington Office - the lack of time available to Mr. Pangelinan to do a thorough survey of U.S. laws and programs for which the new government will be eligible and the knowledge and information of which are required by the consultants doing the studies and plans, if they are to reflect properly the full range of U.S. programs both applicable and of potential value to the new GNMI. It is clear that a computer assistance as well as researcher are needed to augment the work of the Washington LNO in federal programs and services. The cost factor for such services are being investigated.

One noteworthy aspect of the OTSP staff and contractual policies is the presence of citizens of the NMI; except for one expatriate, the Deputy Director, all professional staff, secretaries and two of the contract researchers are all residents of the NMI, in the terms of the definition of the proposed Constitution. In this regard, the OTSP provides an extremely valuable training opportunity for key local personnel during the short transition to full internal self-government. This situation was made possible by the successful search for and recruitment of qualified local professionals for all professional positions other than the one previously designed as reserved for a U.S. citizen, the Deputy Director-Executive Officer slot.

There have been no major financial or funding problems other than the unanticipated diversion of 42K for the Northern Marianas Government's share of the cost of the separation account audit conducted jointly with TTPI. While this unexpected charge has not yet caused any serious curtailment of previously approved programs or activities, it has reduced OTSP's flexibility in meeting unanticipated program needs and especially transition problems not particularly identified.

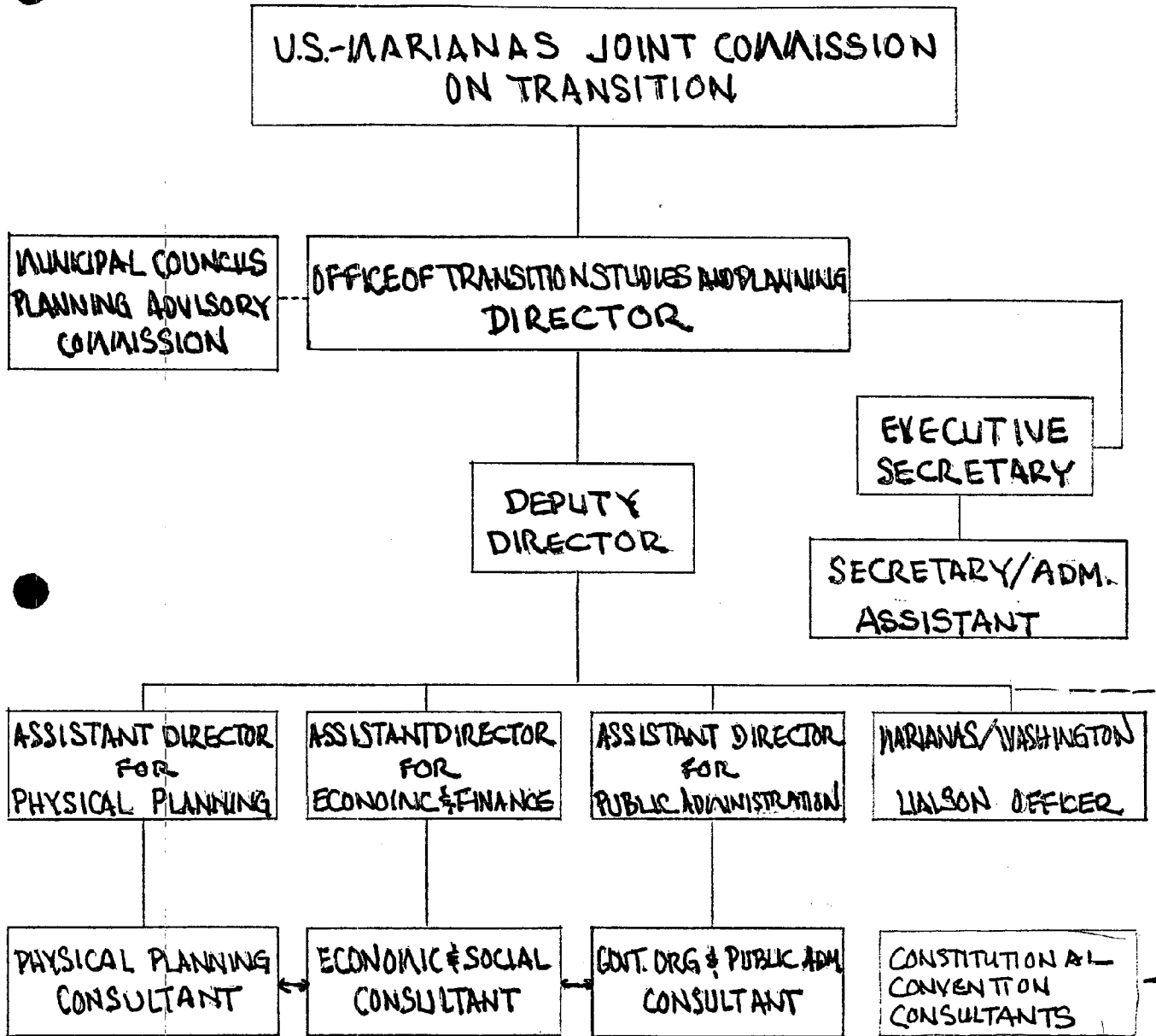
Two major factors will determine the final costs of administering the OTSP program - 1) the timing of the installation of the new Constitutional government, and 2) the need to retain OTSP or elements of it beyond this date after the new government assumes office. For example, the job of the Washington Liaison officer is to be an elective one, according to the new constitution. Hence, considerable savings in the OTSP budget will be realized when the responsibility for supporting this office and function are transferred to the new government prior to May 1978. Moreover, if the transition program can be successfully completed in the early phases of the new government, e.g. late Winter 1977, the OTSP can be dissolved prior to the two years stipulated by the Congressional program; this would also result in savings. It should be noted, however, that the decision on this must be made in close consultation with the leaders of the new government and in accordance with guidance from the Commission.

Conclusions and Recommendations

1. It is clear from the first seven months of operation, that the requirements of transition are much more complex and varied than originally thought. This has been particularly marked in the areas of the transfer of responsibility from the TT - the so-called separation issues - and training, preparing local residents for the tasks critical to the success of the new government. Several related problems calling for major decisions in the development of a program and budget for FY 1977 and 1978 have become manifest during this period. In this regard, it is clear that the on-going research must not only take account of current budgetary plans but also impinge upon them in no small way; e.g. one cannot decide the need for new, major CIP without taking account of approved budget plans for such projects and vice-versa. Hence, the OTSP and its contract researchers have become increasingly involved in day-to-day planning, particularly in those areas of prime concern to program and budget planning.
2. Given the rapid pace of the transition and problems which have arisen since last spring, it is important for the Commission to meet; to review progress and provide guidance in several critical areas.
3. Nonetheless, the original program goals are being pursued on schedule and without any major or insurmountable problems. The

immediate and most pressing task is to plan and implement an effective program of political education for the Referendum and for the follow-up with interested agencies of the U.S. Government, including the U.S. Congress. Certainly the task of "educating" the leaders of the U.S. Executive Branch and obtaining their support will be a formidable one.

4. Additional effort-resources should be devoted to the task of researching the panoply of U.S. federal programs and services so that the government will be able to make decisions regarding their desirability at an early date, i.e. there needs to be a more concerted and systematic effort in Saipan as well as in Washington on this crucial front, plus if possible, more help from Interior and other interested U.S. agencies, especially in Region 9.



Appendix B

OFFICE OF TRANSITION STUDIES AND PLANNING

Personnel List

<u>Name of Employee</u>	<u>Title</u>
1. Pedro A. Tenorio	Director
2. Stephen A. Loftus, Jr.	Deputy Director
3. Edward DLG. Pangelinan	Marianas/Washington Liaison Officer
4. Manuel A. Sablan	Assistant Director for Economics/Finance
5. Pedro M. Atalig	Assistant Director for Public Administration and Government Organization
6. Pedro Sasamoto	Assistant Director for Physical Planning
7. Emilia C. Sablan	Executive Secretary
8. Barbara P. Guerrero	Administrative Assistant
9. Henry T. Reyes	Maintenanceman

PLANNING CONSULTANTS

1. ECONOMIC AND SOCIAL PLANNING

Robert R. Nathan Associates

Resident Team: 1. Dr. Irving Swerdlow
2. Roger Manring
3. Adelina Celis

2. CONSTITUTIONAL CONVENTION CONSULTANTS

Wilmer, Cutler & Pickering

Resident Team: 1. Howard Willens
2. Deanne C. Siemer
3. Paul S. Koffsky
4. Robert A. Major
5. A. Mark Weisburd
6. Neil Solomon

3. PHYSICAL PLANNING

Pacific Planning and Design Consultants

Principals: 1. J. C. Tenorio
2. W. A. McAlister
3. Ben Taguchi

Resident Team: 1. Paul Muschovic
2. Neils Stoermer
3. Ralph Piansay
4. John Rana
5. Jose P. Tenorio
6. Administrative/Secretarial Staff
7. Survey Crew

4. PUBLIC ADMINISTRATION/GOVERNMENT ORGANIZATION

Institute of Public Administration

1. Dr. Howard Mantel
2. Augustin Tagabuel

TIME PHASING OF PRIMARY TRANSITIONAL ACTIVITIES
(December 1976)

<u>Transition Activities</u>	<u>July August Sept Oct Nov Dec '76</u>	<u>Jan '77 - June '77</u>	<u>July '77 - Dec '77</u>	<u>Jan '78</u>
A. <u>Transition Activities</u>				
1. Constitutional Convention and professional support of ConCon	(completed) [-----]			
2. Constitutional Education Program	[-----]			
3. Constitutional Referendum		* [-----]		
4. Election First Gov't NMI			*	
5. Presentation of planning studies to new Government				*
B. <u>Transition Studies/Plans</u>				
1. Background papers for ConCon (Agent - WC&P)	[-----] (completed)			
2. Socio-economic, including fiscal planning & impact studies (Agent - RRNA)	[-----]			
3. Physical planning (Agent - Pacific Planning & Design Consultants)	[-----]			
4. Applicability U.S. laws/programs (Agent - Washington liaison Ofcr.)	[-----]			
5. Research re organization for new government NMI and initial legislative program (Agent - Institute of Public Administration)	[-----]			

* one-time events, exact dates yet to be determined.

Funds Authorized by the U.S.-Marianas Joint Commission on Transition
for Operations and Planning Contracts

<u>Purpose</u>	<u>Funds Authorized (in 000s)</u>
Economic & Social Planning (inc. fiscal & revenue planning & impact relocation)	285
Physical Planning	200
Joint Commission	8
OTSP Admin. expenses	526
Contingencies	56*
Constitutional Convention	59
Constitution election of delegates	16
Constitution education and referendum	25
Election of new government	20
Studies and plans for ConCon	150
Research Govt. Reorganization	130
Research U.S. Federal Programs	25

*less 42K, diverted to pay ResCom share of
separation account audit

Total \$1,500

March 1, 1977

Summary Report on OTSP Budget

Background

In June of last year the U.S. Congress appropriated \$1.5 million to carry out a series of transition studies and activities in the Northern Marianas, to be accomplished during the 18-24 months following the ratification of the Commonwealth Covenant.

The Executive Branch witnesses made it clear that the program upon which the request for the \$1.5 was based was "illustrative" and would therefore probably need to be substantially altered in part following contract negotiations and to take account of actual costs for such scheduled events, such as the Constitutional Convention. On the other hand, Committee chairmen made it clear that they regarded the \$1.5 million as a ceiling - not an authorization to spend all of the \$1.5 appropriated, unless there were good and sufficient reasons for doing so.

The OTSP program, as approved by the Congress, consisted of the following major elements:

<u>Economic and Social Planning</u>	<u>Est. Cost</u>
- Economic-Social Development Planning	\$225,000
- Physical Planning	225,000
- Fiscal and Revenue Planning	50,000
- Impact of relocation of TT capital	<u>50,000</u>
Sub-total	\$550,000
 <u>Scheduled Transition Steps</u>	
- Con Con	\$100,000
- Constitutional Education Program & Referendum	50,000
- Election of new NMG	<u>25,000</u>
	\$175,000

Government Organization

- Studies and Planning for Con Con	\$ 50,000
- Research and Planning Govt. Reorganization	50,000
- Initial legislative program	50,000
- Research U.S. Federal Programs and Services	<u>50,000</u>
	\$200,000

Administration

- Joint Commission	\$ 40,000
- Secretariat (OTSP)	485,000
- Contingencies	<u>50,000</u>
	\$575,000

The above program was derived from a report of the Ad-Hoc Marianas-U.S. group of experts on transition, approved by the MPSC and the U.S. negotiator during the 4th Round of the negotiations on the Covenant. Salary levels of the 6 professional staff for the OTSP, recommended by this report, were approved by the Joint Commission in its meeting on Saipan in April of last year, at which time the OTSP was asked to prepare a preliminary administrative budget.

Later, following the submission of a revised administrative budget, in June and August of last year, the Commission approved the OTSP recommendations to combine certain program elements and to transfer certain funds in order to meet the costs of preparing for the Con Con - the \$150,000 negotiated contract with the Washington law firm of Wilmer, Cutler & Pickering. Also, the Commission approved the allotment of \$42,000 from the Contingency fund to cover the ResCom's share of the joint Marianas-TT separation audit.

These decisions plus the results of negotiations with Robert Nathan Associates and the Institute of Public Administration, IPA, for studies in the areas of economic, social and government organization caused the following changes in the program as submitted to the U.S. Congress:

Economic and Social Planning	\$325,000 to \$285,000
Scheduled transition steps	
- Con Con	\$100,000 to \$75,000

	<u>Authorized</u>	<u>Obligated</u>	<u>Balance</u>
Physical Planning	200,000	175,000	25,000
Con Con	75,000	75,000	---
Constitutional Education program and Referendum	25,000	25,000	---
Election of new Constitutional Govt.	20,000	--	20,000
Studies and Planning re Con Con	150,000	150,000	---
Research and planning for Govt. organization (inc. initial legislative program)	130,000	130,000	---
Research U.S. Federal Programs	25,000	13,000	12,000
Administration			
Joint Commission	8,000	2,069	5,931
OTSP	526,000	422,825	103,175
Contingencies	56,000	42,100	13,900

While all of the balance of the approximately \$160,000 not yet formally obligated or committed might not be required to complete the program of transition, most of it will. For example, \$20,000 must be reserved for the costs of electing the new government and there are plans to utilize the remaining \$25,000 available in the physical planning area to initiate priority A&E studies, once the plan is approved. It is possible that the \$25,000 available for research in the area of federal programs will not suffice, given the great importance of this task and the delay in the organization of the Joint U.S.-Marianas Commission called for by the Covenant. It is also clear that final Administrative costs will exceed the \$422,825 now obligated, if the program runs its full two years, until June 1, 1978.

It should also be kept in mind that the \$15 was not intended to meet all of the costs of transition to constitutional government. There have already been some extraordinary or unanticipated requirements related to transition, e.g. the "account separation program" with the T.T., and there will doubtless be others later this year and during the early stages of the new constitutional government.

Attachments:

- Constitutional Education and Referendum	\$50,000 to \$25,000
- Studies and planning for the Con Con	\$50,000 to \$150,000
- Research and planning government reorganization, including preparation of initial legislative program	\$100,000 to \$130,000
- Joint Commission	\$40,000 to \$8,000
- Contingencies	\$50,000 to \$14,000
- OTSP Admin. costs	\$485,000 to \$526,000

It should be noted that the Joint Commission agreed last spring to give the Director, OTSP the authority to shift funds, as required, within broad program categories, e.g. between the Contingency fund and OTSP Administration, without first seeking the approval of the Commission. The Director was also empowered to negotiate final contracts within monies programmed for the purpose intended. Nevertheless, the Director has made it a practice to inform the Commission of the results of contract negotiations and to seek its approval if additional funds are needed to be shifted from another segment of the program to cover the negotiated obligation. Also, the Joint Commission approved the reduction of \$32,000 in funds programmed for its activities, in order to make funds available to meet more urgent program requirements and to cover part of the \$42,000 diverted to the separations audit.

Current Situation

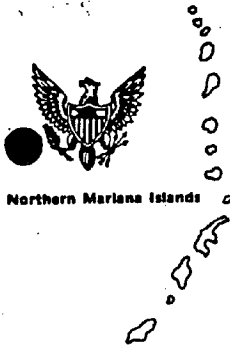
During the past six months several major transitional steps were completed, permitting us to "close the books" in certain areas, e.g. the Con Con, the studies, planning and staffing of the Con Con, and the program of political education for the Constitutional Referendum and the costs of the Referendum itself.

The most recent contract was signed in January this year - a contract for \$13,000 with a Washington legal firm, the Institute of International Law and Economic Development for a survey of key federal programs of potential interest to the NMG. Funds for this work, to be completed in March, will be derived from the \$25,000 available in the program for this purpose.

The current status of accounts, as of the end of January 1977, is shown below:

	<u>Authorized</u>	<u>Obligated</u>	<u>Balance</u>
Economic-Social Development Planning, inc. relocation of capital and fiscal planning	285,000	283,000*	2,000

* includes certain administrative costs, e.g. rent for two houses



OFFICE OF TRANSITION STUDIES AND PLANNING
NORTHERN MARIANA ISLANDS
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

August 9, 1976

Honorable Vicente N. Santos
Marianas Co-Chairman
U.S.-Marianas Joint Commission
Northern Mariana Islands Legislature
Saipan, Mariana Islands 96950

and

Honorable Fred M. Zeder
Federal Co-Chairman
U.S.-Marianas Joint Commission
Office of Territorial Affairs
U.S. Department of the Interior
Washington, D. C. 20240

Dear Mr. Santos and Mr. Zeder:

This is to bring you up-to-date on the status of the Transition program and to obtain your approval of steps we plan to take to accommodate your decision to transfer \$42,000.00 to the Office of the Resident Commissioner to cover its share of the "account separation program", which is being funded jointly with the Trust Territory Government.

The following comments and recommendations are also based upon the approval of the reprogramming actions recommended in my letter to you of June 18, 1976. You will recall that this action resulted from the savings realized from the contract for socioeconomic studies and the need to commit additional funds for the studies and support of the Marianas Constitutional Convention. (See Attachment No. 1)

The approval of the Commission of these recommended reprogramming actions yielded a "contingency" of \$15,000.00 which was added to the \$50,000 earmarked for contingencies under the budget for Administration, yielding a total of \$65,000.

At the same time, the Commission approved the budget submission of \$590,000 for Administration, which included three major categories: \$40,000 for the expenses of the Joint Commission, \$485,000 for staff salaries and other expenses connected with administering the program and a contingency of \$65,000.00 which would also be available to meet program overruns.

Office located at Puerto Rico, Saipan, Mariana Islands, Phone: 9457

REVISED OTSP BUDGET, BASED ON DIVERSION
OF \$42,000 AND RECENT REPROGRAMMING ACTIONS

August 9, 1976

ECONOMIC AND SOCIAL PLANNING

		<u>Recommended Revisions</u>	<u>Current Authorizatio</u>
20.710-01	Economic and Social Development Planning Fiscal and Revenue Planning, and Impact of Relocation of Capital (and Trust Territory Headquarters cutback)	\$ 285,000	\$ 285,000
20.710-02	Physical Planning	<u>225,000</u>	<u>225,000</u>
	Subtotal	\$ 510,000	\$ 510,000

ADMINISTRATION

20.710-05	Joint Commission	\$ 8,000	\$ 40,000
20.710-06	Office of Transition Studies and Planning	526,000	485,000
20.710-07	Contingencies	<u>14,000</u>	<u>65,000</u>
	Subtotal	\$ 548,000	\$ 590,000

SCHEDULED TRANSITION STEPS

20.710-08	Constitutional Convention	\$ 75,000	\$ 75,000
20.710-09	Constitutional Education Program and Constitutional Referendum	25,000	25,000
20.710-10	Election of New Government	<u>25,000</u>	<u>25,000</u>
	Subtotal	\$ 125,000	\$ 125,000

GOVERNMENT ORGANIZATION

20.710-11	Studies and Planning, Constitutional Convention	\$ 150,000	\$ 150,000
20.710-12	Research and Planning, Government Organization	50,000	50,000
20.710-13	Initial Legislative Programs	50,000	50,000
20.710-14	Research U.S. Federal Programs and Services	<u>25,000</u>	<u>25,000</u>
	Subtotal	\$ 275,000	\$ 275,000
	GRAND TOTAL	\$1,458,000	\$1,500,000

Honorable Vicente N. Santos/Hon. Fred M. Zeder

Page 2

August 9, 1976

In order to compensate for the loss of the \$42,000.00 diverted from the program last week, without reducing approved programs or activities, we must reduce administrative costs to \$550,000.00 for the two-year period. This would be consistent with the expressed admonitions of the Congress. It was made clear by the Committee Chairmen in the U.S. Congress, when the OTSP budget was presented, that we should keep administrative costs to a minimum, i.e. maintain the balance between program or activities costs to a minimum, i.e. maintain the balance between program or activities costs and administrative costs.

With this objective in mind, we have reviewed again the OTSP administrative budget, in light of the costs of the Washington office and our experience gained since June 1 of this year. The only significant variables are the expenses of the Commission itself and the timing of the contracts for the two remaining staff professionals. The remaining cost estimates are, we think, fairly firm, except possibly those for travel, furnishings and printing. Nonetheless, we intend to remain under the amounts now earmarked for these latter three categories. For example, we hope to borrow the additional desks and chairs required by the main office from T.T. Headquarters, as a result of the closing of the Claims Commission offices on Saipan. The only way to offset the loss of the \$42,000.00 is to reduce the estimates for the Commission and reduce the contingency fund to below \$15,000 for the two-year period. (See Attachment No. 2)

On the program side, I believe that we must anticipate the need to make additional funds available to meet the final costs of the Constitutional Convention. The present amount reserved for the ConCon may suffice to cover delegates expenses and supplies, but there is a strong possibility that an additional \$25,000-\$50,000 will be required, over and above the sums available from the anticipated Legislature's appropriation and the \$75,000.00 set aside for this in the currently approved OTSP budget. Estimates received by OTSP for Convention facilities rental ranges between \$10,000-\$15,000. Furthermore, there will be cost incurred for equipment rental and additional secretarial and clerical support for the ConCon.

In light of the above, I strongly recommend that the Commission or DOTA take steps to restore \$42,000.00 at the earliest date possible. If this cannot be done we will have lost the flexibility required to carry out the program as approved by the two governments and by the U.S. Congress. The \$42,000 diverted by the Commission for "audit" purposes will be entered in our records as borrowed funds and not as reprogrammed funds. I therefore expect such funds to be restored during the existence of OTSP or before the final audit of the Transition funds.

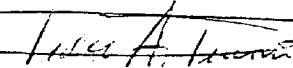
Honorable Vicente N. Santos/Hon. Fred M. Zeder
Page 3
August 9, 1976

Until we know the total bill for the ConCon, I cannot make any definite or positive recommendations with respect to further reprogramming actions. I do know, however, that the program cannot afford to lose any additional amounts if we are to faithfully and effectively carry out the mandate under which we are operating.

I would urge you and members of the Commission to review our revised budgets (OTSP detail Administration budget) in light of the recent reprogramming of \$42,000. I hope that you and all the members approve this revised budget which will be used as our guideline in carrying out the tasks entrusted to OTSP. I would consider none receipt of objection from the Commission of our proposed revised budget as formal approval of our request.

Lastly, I also recommend that the Commission refrain, in the future, from treating the unobligated funds of the OTSP as a source of funds to meet other costs of the Marianas government.

Sincerely yours,



Pedro A. Tenorio
Director

Attachments

xc: All Members, U.S.-Marianas Joint Commission
Marianas/Washington LNO

PAT:es

Office of Transition Studies and Planning
Revised Budget Estimate for "Administration"

<u>Administration</u>	<u>1st year</u>	<u>2nd year</u>
1.0 Personnel Compensation		
1.1 Director	\$ 30,000	\$ 30,000
1.2 Deputy Director	27,500	27,500
1.3 Asst. Director, Public Administration and Government Organization	16,000	25,000 18
1.4 Asst. Director, Economics and Finance	25,000	25,000
1.5 Asst. Director, Physical Planning	16,000	25,000 18
1.6 Marianas/Washington Liaison Officer	29,000	29,000
16.6-1 Executive Secretary	10,000	10,000
1.7 Executive Secretary	8,000	8,000
1.8 Administrative Assistant	<u>5,250</u>	<u>5,512</u>
Sub-total Personnel Compensation	\$168,750	\$185,012- 1710
2.0 Cost of Living Differential and Allowances (15% of 1.2, 1.3, 1.5 and 1.6)	10,125	12,125
2.1 Housing Allowance (Monthly Rate: \$375.00 4 members (OTSP))	18,000	18,000 14,400
2.2 Non-Marianas members temporary quarters (OTSP)	3,000	-0-
2.3 Transportation/storage of household goods and purchase of furniture/fixtures in lieu of transportation/storage (OTSP)	12,000	-0-
3.0 Travel and Transportation of Persons		
3.1 Members OTSP (4 persons)	5,000	5,000
3.2 Dependent Relocation <i>7 persons</i>	8,000	8,000
3.3 Miscellaneous (Taxi, Bus, etc.)	1,000	1,000
4.0 Vehicular Support		
4.1 Purchase and maintenance of cars for OTSP (2)	8,500	2,500
5.0 Support for Joint Commission		
5.1 Travel and Transportation of Commission members	4,000	4,000

6.0	Rental of Office Space (OTSP) \$1,000 p/mo.	\$ 12,180	\$ 12,180
7.0	Office Equipment and Supplies		
7.1	Electric Typewriters (4)	2,400	-0-
7.2	Furniture and Fixtures (desks, tables, chairs, file cabinets, etc.)	3,000	-0-
7.3	Office Supplies and Material	1,500	1,356
8.0	Printing and Reproduction		
8.1	Xerox Service	3,750	3,750
8.2	Printing of Documents & Reports	4,000	5,000
9.0	Postage Service		
9.1	Postage	500	500
9.2	Box Rental	36	36
10.0	Communication		
10.1	Telex Service	600	600
10.2	Long Distance Telephone Calls	1,800	1,800
10.3	Local Telephone Service	700	700
11.0	Office Utilities (Power/Water)	<u>1,800</u>	<u>1,800</u>
	Sub-total non-personnel compensation	\$101,891	\$ 78,347
12.0	Contingencies	<u>7,000</u>	<u>7,000</u>
	Sub-total - other than salaries	\$108,891	\$ 85,347

Summary of Administration

Personnel Compensation	\$168,750	\$185,012
Non-Personnel Compensation	101,891	78,347
Contingencies	7,000	7,000
Total for each year	277,641	270,359
Total for both year		\$548,000

Total Administration (Commission, OTSP, Administration, Contingencies)

= ^{570,000} \$590,000

Borrowed Funds (NMIG Account Separation Program)

= 42,000

Administration Balance for Two Years Operation

= \$548,000

^{528,000}
revised est
CA of 3/3/77

EDWARD DLG. PANGELINAN
MARIANAS/WASHINGTON LIAISON OFFICER
OFFICE OF TRANSITION STUDIES & PLANNING
GOVERNMENT OF THE NORTHERN MARIANA ISLANDS
SUITE 307
1800 CONNECTICUT AVE., N.W.
WASHINGTON, D. C. 20036
PHONE (202) 466-4900

January 14, 1977

MEMORANDUM

TO: Director, OTSP

FROM: Washington Liaison Officer

SUBJECT: Status Report on Activities of the Marianas/Washington
Office, OTSP for the Period July 5 through December
31, 1976

The attached subject report is hereby submitted for your review and hopefully to be incorporated into the year-end status report of OTSP.

The report highlights the major activities of the Washington Office from its establishment in early July to the end of the year of 1976, and outlines the activities to be undertaken for 1977.

The report is intended to be brief and general in nature, but I will be pleased to provide any additional information you may require for the report.

Ed.

Edward DLG. Pangelinan

STATUS REPORT ON ACTIVITIES OF THE
MARIANAS/WASHINGTON LIAISON OFFICE, OTSP

JULY 15, 1976 - DECEMBER 31, 1976

As an essential and integral part of the Office of Transition Studies and Planning, and in an effort to establish closer contact and communication between Washington and the people of the Northern Marianas, the Marianas/Washington Liaison Officer was appointed in early June 1976, and charged with the responsibility to undertake the following tasks:

- (1) To establish an office in Washington, D.C. to provide liaison between the Northern Mariana Islands and the United States Government under the general direction of the Director of the Office of Transition Studies and Planning;
- (2) To perform specific tasks and to initiate steps to implement the provision of the Covenant calling for a Joint Commission on Federal Laws to review the applicability of federal laws to the Northern Mariana Islands;
- (3) To examine in detail the federal domestic assistance, programs and services which are currently applicable and those which could be made applicable to the Northern Marianas regarding:
 - a. relevance and benefits to the Northern Marianas
 - b. funding availability and continuity under the new government of the Marianas
 - c. eligibility of the Northern Marianas presently and in the future
 - d. kinds of funding and necessary funding contributions from the Northern Marianas when applicable
 - e. priority of application of programs in the Northern Marianas particularly in the areas of social works,

education, agriculture, fishing, tourism, trade, public safety, health, housing, transportation and general public works.

The Liaison Officer is required to make timely submission of recommendations of such assistance, programs and services to the Director of OTSP for possible integration into the studies to be undertaken by the various consultants that have been retained by OTSP.

The Marianas/Washington Liaison Office was officially established and commenced its business during the first week of July 1976 with a sublease of office space in downtown Washington, D.C. and the hiring of a secretary. Official contacts with the United States Government were initially established by calling upon and making personal visits to ranking Congressional members in the Senate Armed Services, Foreign Relations, and Interior and Insular Affairs Committees and the House Appropriations and Interior and Insular Affairs Committees of the United States Congress; the Director of Territorial Affairs of the Department of the Interior, and the personal representative of the President to the Micronesian Status Negotiations.

The activities of the Liaison Office can be best described in terms of the following categories:

I. Governmental Liaison

A. Congressional Liaison

The past six months the activities of the Liaison Office have been centered around providing liaison between OTSP and the United

States Congress. Personal contacts were made with members of Congress in the important committees in the Senate and the House of Representatives as well as to certain other members who have shown interest in the Marianas. The members and their key assistants were appraised of the current activities of OTSP and matters of general interest regarding the Government and people of the Northern Marianas. As Congressional liaison is of continuing importance, the Liaison Office will continue to maintain its contacts with Congress on a regular basis.

B. Executive Liaison

On the executive side, the activities of the Liaison Officer were coordinated to a large extent with the Office of Territorial Affairs and the Office of the Micronesian Status Negotiations. Personal contacts were made not only with the Director of the Office of Territorial Affairs, but with all staff members responsible for matters affecting the people of the Mariana Islands. These contacts were made on a regular basis with weekly visitations and daily telephone conversations with staff members of the Office of Territorial Affairs. In addition, personal contacts were established with Ambassador Haydn Williams, and subsequently with Ambassador Philip Manhard and the staff of OMSN.

Other liaison activities were undertaken by visiting representatives in departments and agencies of the United States Government. These include Health, Education and Welfare, Justice, Transportation, Commerce, Agriculture, Defense, State, Labor, Small Business Adminis-

tration, Federal Aviation Administration, Environmental Protection Agency, Action and the Foreign Claims Commission. Contacts with officials in these departments and agencies were made relative to the federal domestic programs currently applicable to the Trust Territory as well as those which will be applicable upon installation of the constitutional government in the Marianas.

C. Assistance to Legislative and Executive Officials from the Marianas

During the months of July through November certain legislative and executive officials from the Marianas made official visits to the nation's capital. During the visits the Liaison Officer provided assistance in setting up appointments, arranging contacts and accompanying the officials to meet with Congressional leaders and officials in various departments of the United States Government. The Liaison Officer assisted, for example, the Marianas War Claims Committee and the Palau Special Committee on War Claims in discussing the matters of war claims and related issues with the Chairman of the Foreign Claims Commission, representatives from the Department of State, Department of Defense, the Japanese Ambassador in Washington and certain members of the United States Congress. Other officials from the Northern Marianas were assisted in discussing matters of housing programs for the Northern Mariana Islands both in the Department of Housing and Urban Development and the Farmers Home Administration in the Department of Agriculture. Furthermore, representatives from the Department of Education from the Marianas were given similar administrative support in discussing

matters affecting education on the Marianas with officials in HEW and other interested parties such as the Council of Chief State School Officers.

II. Non-Governmental Liaison

The Washington Liaison Officer, in an effort to disseminate information regarding the transition of the Northern Marianas toward self-government, and in particular the approval of the Covenant by the United States Congress, has maintained considerable contact with the private sector and the business community in Washington and throughout the United States. Various interested individuals representing business enterprises have paid personal calls to the Office. Others have called in the Office for information regarding tourism, industry, agricultural development, marine resources, business activities and business opportunities as well as opportunities for employment, education and retirement. The Liaison Officer has attempted to supply information by correspondence or by providing appropriate brochures and other materials available in the Office. A good deal of liaison activity was undertaken with companies which have ongoing business in the Northern Marianas such as Continental and Pan American Airlines and others. The Office has devoted a significant amount of time to meeting representatives from consulting firms who had expressed interest and submitted proposals for consulting work for OTSP in the areas of physical planning, government reorganization and related transitional matters.

Additional liaison work was undertaken with students from the Marianas in the United States, in particular those who were in need of scholarship assistance and information regarding employment opportunities after completion of their studies. The Liaison Officer also spent considerable time in renewing contacts with those expatriates who have at one time lived in the Marianas or in the Trust Territory. The Liaison Officer was deeply impressed with the interest that these individuals continue to manifest even though they are no longer connected with the Marianas. The Liaison Officer also spent time assisting the Micronesian Liaison Officer in setting up his official activities in Washington and has maintained a close working relationship with him as well as the representatives from the other territories of American Samoa, Virgin Islands, Guam and Puerto Rico.

III. Federal Programs

A major responsibility of the Liaison Office is to examine in detail those federal domestic assistance, services and programs which are currently applicable or will be applicable to the Northern Marianas under Sections 502 (a) of Article V and Section 703 of Article VII of the Covenant. With the assistance of the Office of Territorial Affairs, the activities in this area have advanced to the point where over four hundred programs have been identified to be applicable after the installation of the constitutional government of the Marianas. Activities to detail the federal programs with regard to the level of funding, expiration dates and the esti-

mated projected benefits that will accrue to the Marianas continues to be undertaken and much work remains to be accomplished although important groundwork has been laid. Additional work such as review of application forms, proposals that are relevant to certain programs and setting priorities as to which programs would be most beneficial during the early development of the transitional government of the Northern Marianas must be undertaken.

IV. Coordination With Consultants of OTSP

Another important function of the Liaison Office involves the coordination of activities that are being undertaken by various consultants which have been retained by OTSP relative to transitional matters. During the early part of August and September much of the effort was concentrated in the preparation of briefing papers and review of briefing papers provided by the constitutional consultants. This involved coordinating activities of the law firm of Wilmer, Cutler and Pickering which had been retained to act as legal consultant for the Constitutional Convention and Dr. Howard Mantel of the Institute of Public Administration who was retained by the Office as a consultant on government reorganization. Other activities focused on coordinating the efforts of Robert R. Nathan Associates, particularly with Mr. James R. Leonard who is the principal consultant on the socio-economic project for OTSP. The Liaison Officer has met on a regular basis with Mr. James Leonard to discuss the progress as well as all other matters relating to the socio-economic study. From time to time the Liaison Officer

assisted the various consultants, their associates, and short-term experts in providing orientation and briefing assistance on the responsibilities and functions of OTSP and matters of general interest regarding the people and the Government of the Northern Marianas.

V. Administrative Matters

There is currently no administrative problem existing in the Office. The authorization to open an Imprest Fund in Washington has made it easier to expedite payments for routine, official expenses and to handle administrative support of the Office in Washington. An additional staff member would be desirable, but considering the constraints on the OTSP budget, there is no urgency in this matter as the activities of the Office at present can be handled by the Liaison Officer and the secretary.

VI. Activities to be undertaken in 1977

A. Commission on Federal Laws

An important function of the Liaison Officer which currently remains outstanding, but will be given considerable attention in the immediate future relates to the requirement of Section 504 of Article V of the Covenant. This Section calls for the appointment by the President of the United States of a Commission on Federal Laws to survey the laws of the United States and to make recommendations to the United States Congress as to their applicability or non-applicability to the Marianas. Informal discussions have been held with the Office of Territorial Affairs as well as

with the Office of Micronesian Status Negotiations. However, no substantive steps have been taken to implement the provision of the Covenant until after the inauguration of the Carter Administration.

B. Representation of the Constitution of the Northern Marianas to the United States Government

The successful conclusion and the adoption of a Marianas Constitution by the Constitutional Convention on December 5, 1976 brings the people of the Marianas closer to self-government. Upon the ratification of the Constitution by the people of the Marianas in March of this year, the Constitution, as required by the Covenant, must be reviewed by the Government of the United States. Such review may well involve close Congressional scrutiny. In anticipation of such a review, the Liaison Officer, with the assistance of Howard P. Willens and his associates at Wilmer, Cutler & Pickering, have initiated informal discussion with representatives of the Office of Territorial Affairs, the Assistant Solicitor for Territories of the Department of Interior and Justice Department. Upon the official transmission of the Constitution to the United States Government, the Liaison Officer will devote considerable time and effort to assisting the representatives of the people of the Marianas in their representation efforts to secure the prompt approval of the Constitution by the United States Government.

C. Liaison

With the change of administration in the federal Government on January 20 liaison activities will be undertaken to appraise the new officials in the various departments and agencies of the

Covenant and its implications. Similar efforts will be made to establish contacts with the newly elected members of Congress.

As the Ninety-Fifth Congress progresses in its legislative function, particular attention will be given to proposed legislation which may have a bearing on the Marianas. This may well require attendance at certain public hearings before Congressional committees.

VII. Conclusion

The role of the Liaison Officer in Washington is a novel and significant one as it provides the people of the Marianas for the first time with their own representative in Washington who can present directly their interests, needs and aspirations. He can supplement and complement the activities and efforts of the Office of Territorial Affairs, establish personal contacts with members of the United States Congress, officials of the various departments and agencies of the Government, and members within the private and business communities in the United States. The activities and efforts of this Office have been well received by all whom the Liaison Officer has had the privilege to contact.

Any representation office in Washington which attempts to function as a one-man operation inevitably suffers certain drawbacks, and the Marianas Liaison Office is not an exception. Representation and liaison activities are generally time-consuming and at times sources of frustration. However, considering the size of the Office and its resources in comparison with similarly established terri-

torial offices, the Marianas Liaison Office has performed its duties and functions admirably.

The work of the Office during the past six months would have been difficult and frustrating had it not been for the cooperation, goodwill and generous assistance extended to the Liaison Officer by certain individuals. With appreciation, I wish to acknowledge the contribution of those individuals who have extended their assistance to the Office. Mr. Fred Zeder, Director of Territorial Affairs, Department of the Interior, and his staff, Messrs. Emmet Rice, Jim Berg, Dick Scott, Manny Cruz, Hugh Gallagher, Miss Janice Johnson, and the secretarial staff have all been most helpful in all my encounters with that office. Their outstanding cooperation in keeping my Office fully informed of their activities regarding the Northern Marianas, and the courtesies extended to me during our meetings and other functions are greatly appreciated. The Assistant Solicitor for the Territories, Mr. C. Brewster Chapman, Jr., has been most helpful. His generous interpretation on certain provisions of the Covenant and his legal comments on the draft Constitution of the Marianas have been fruitful. Ambassadors F. Haydn Williams and Philip W. Manhard and the staff of the Office of Micronesian Status Negotiations contributed immensely in many areas of concern on which the Liaison Officer has contacted them.

On Capitol Hill the members of Congress and their staffs have extended their courtesy, friendship and sympathetic consideration to the people of the Marianas. Their goodwill and understanding have made the role of the Liaison Officer encouraging.



OFFICE OF TRANSITION STUDIES AND PLANNING
NORTHERN MARIANA ISLANDS
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

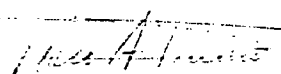
MEMORANDUM

TO: See Distribution List August 18, 1976

FROM: Director, Office of Transition
Studies and Planning

SUBJECT: Goals and Objectives of OTSP Work Plan

As a preliminary step to our intention to meet and discuss with you the role of OTSP and the various community participation required as part of our efforts to conduct studies and develop plans for the new Government of the Northern Marianas, I am submitting for your information our June 30, 1976 background paper on the organization of OTSP and its goals and objectives. You will be contacted individually or as a group to meet with us and our planning consultants for a more formal discussion of specific development goals and objectives once the work plan for the various planning areas are finalized.


Pedro A. Tenorio

Enclosure

PAT:es

Distribution:

All members, Northern Mariana Islands Legislature
All members, Saipan/Rota/Tinian Municipal Councils
Mayors and key staff - Saipan/Rota/Tinian
Saipan Chamber of Commerce
Executive Director, Marianas Visitors Bureau
President, Saipan Farmers Association
Manager, Marianas Fishing Cooperative
President, Marianas Youth Organization
United Carolinian Association
President of both political parties
Catholic Church/Baptist Church
Rotary Club
Administration: Resident Commissioner Canham and his immediate
staff and all program directors
Chief Commissioner
President, Northern Marianas Society of Professional Engineers
Chairman, Rota Planning Commission

June 30, 1976

OFFICE OF TRANSITION STUDIES AND PLANNING
FOR THE NORTHERN MARIANA ISLANDS
GOALS AND OBJECTIVES OF WORK PLAN

BACKGROUND

During the Fourth Round of Political Status Negotiations between the Marianas Political Status Commission (MPSC) and representatives of the United States Government, an agreement was reached between the parties to establish an office for transition studies and planning which will be funded by the U. S. government and be charged with the responsibility of carrying out the studies and developing plans in order to assist the new government to meet its long-range goals and objectives. The new office established recently is called the Office of Transition Studies and Planning (OTSP). The office has received \$1.5 million from the U. S. government for its operation and for studies and plans. It will operate during a period of transition, generally defined as the time beginning with the separate administration of the Marianas from the five districts of the Trust Territory to the establishment of a constitutional government of the Northern Marianas. The office of Transition Studies and Planning, formerly called Transition Secretariat, is directly controlled and under the jurisdiction of the U.S.-Marianas Joint Commission on Transition. This Commission is presently composed of three members from the Marianas, namely Speaker Vicente N. Santos, the Marianas Co-Chairman, Senator Jose R. Cruz from Tinian, and Senator Benjamin T. Manglona from Rota. On the U.S. side are Mr. Fred M. Zeder, the Director of Territorial

Affairs and also the U.S. Co-Chairman, Honorable Erwin D. Canham, the Marianas Resident Commissioner, and Ambassador F. Haydn Williams, the President's Personal Representative for Micronesian Status Negotiations.

The U.S.-Marianas Joint Commission acts as the Board of Directors to the Office of Transition Studies and Planning and has selected the Director, former Senator Pedro A. Tenorio, and the Deputy Director, Mr. Stephen A. Loftus, Jr., a former resident of the State of Virginia, who served as a special adviser to Ambassador Williams. The Director has the power to select and employ, subject to the approval of the Joint Commission, professional individuals who will be involved in the Transition studies and planning of the Office. He also has the authority to let contracts or hire expert consultants within pertinent guidelines furnished by the Joint Commission.

In line with the authority vested in the Director, two Marianas professionals have been hired by the Director to fill two very important and critical positions within the OTSP. Mr. Edward DLG. Pangelinan has been appointed by the Director as a Liaison Officer for OTSP and will be stationed in Washington, D. C. Mr. Manuel A. Sablan has been appointed the Assistant Director for Economics and Finance. Two other professional positions are still unfilled and the Director is reviewing applications primarily with the intent of recruiting qualified Marianas residents when available; expatriate employees will be recruited if local Marianas residents are not available. The salaries and benefits of the professional staff of the Office are set by the members of the U.S.-Marianas Joint Commission. The administrative budget of OTSP is also based on guidance from the Joint Commission.

In all, the Office (OTSP) will have the following professional and secretarial/clerical personnel on its staff:

- 1) Director
- 2) Deputy Director
- 3) Marianas/Washington Liaison Officer
- 4) Assistant Director for Economics and Finance
- 5) Assistant Director for Public Administration and Government Organization
- 6) Assistant Director for Physical Planning, and
- 7) Two secretarial/clerical personnel

In addition, a number of technical and professional consultants will be on contract with the Office to provide the actual studies and planning work identified in a work plan developed by OTSP and recommended to the Joint Commission for review and approval.

Work Plan

The primary role of OTSP is to manage and coordinate the various study programs approved by the Joint Commission and to ensure that all of the important steps toward the new political status, such as the Marianas Constitutional Convention, referendum, socioeconomic studies and plans, government organization, and development of physical plans are carried out on schedule. The basic thrust of the OTSP program and mission is to facilitate the organization of the new Commonwealth Government and to provide it with action plans or studies which will best meet the needs of the people during the remaining years of the trusteeship and the initial period of Commonwealth.

There are two distinct kinds of activities needed to effect the

transition to self-government and to initiate desired economic and social programs:

1. Research and planning activities; and
2. Special or scheduled events and activities.

The first of these categories, research and planning, should include two major subdivisions:

- a. Studies or planning needs to establish and organize the new government and its initial program;
- b. Studies or planning required in the economic and social area.

Government Organization Planning

The following main projects are needed in this area:

A. Studies and Planning for a Constitutional Convention

The pre-ConCon Committee, a special planning committee which will be established following the election for Constitutional Convention delegates, will require professional staff support and background papers. The elected delegates will take the lead in this area for it is the people of the Marianas who will have to live with the consequences of all planning and related events regarding this critical effort.

OTSP is prepared to provide all appropriate assistance.

B. Research and Planning Regarding the Organization of a New Government of the Marianas and its Initial Legislative Program

The principal requirement in this area is to prepare a plan for the reorganization of the current system of government--a blueprint on how best to convert from the present governmental structure to that established by the new constitution.

This will require a careful and discriminate planning effort. Some select research plus expert advice will be required.

Preparatory work in planning for and drafting an initial legislative program should also begin during Phase I (transition period) although there should be ample time for OTSP to review this requirement during the initial months of Phase I. This project will mainly require experts skilled in drafting legislation needed to effect decisions on government reorganization and to get the new government off to a good start.

C. Studies Regarding the Retention or Extension of U.S. Programs and Services

It is the view of the U.S.-Marianas Joint Commission on Transition that OTSP should be instructed to ensure that a thorough review of all U.S. programs and services of potential value to the new Commonwealth of the Marianas be undertaken by experts during the early stage of Phase I. The creation of a Marianas/Washington Liaison Officer position to be located in Washington will accomplish many of the important functions of OTSP in this area.

Economic and Social Planning

Extensive economic and social infrastructure planning should be initiated during Phase I to enable the new government to determine its fundamental goals and policies in this area. Such planning will also facilitate agreement on the kinds of external aid or assistance most relevant to the needs of the Marianas in these areas within the annual levels of assistance provided in the status agreement.

Planning in this area can probably be best done by an appropriate combination of government experts, U.S. or local, and private firms or consultants--including experts in such functional areas as agriculture, tourism, land use and management, fishing, government finance, etc.

This category of planning will include, but not necessarily be restricted to, all necessary research and planning for the following:

- (1) the drafting of a general plan for socio-economic development;
- (2) a fiscal and revenue plan;
- (3) a physical (infrastructure) plan; and
- (4) studies regarding the economic and social impact of relocating the capital of Micronesia.

A. Economic and Social Development Planning

First priority should be given to research activities required to form a basis for a development strategy and long-range social and economic development goals and programs, including health and educational goals, taking into account demographic trends and resource availabilities including labor, water, soils, external assistance, etc.

Economic and social development planning should embrace several distinct but interrelated parts; recommendations regarding general development goals; social as well as economic proposals for long-range government revenues and expenditure patterns, plus general goals for the development of the district's infrastructure.

It should be the task of OTSP to determine what specific research or planning efforts are required and the principal alternatives and to suggest solutions most relevant to the situation.

B. Fiscal and Revenue Planning

The principal need here is to identify possible sources of additional government revenue and to analyze alternative fiscal policies designed to provide a set of incentives for economic growth and an equitable distribution of the burden. Efforts in this particular area need to take full account of any decisions or guidance based on the work being done on the definition of social and economic development goals and programs.

C. Physical - Infrastructure - Planning

It is clear that a certain amount of planning in this area needs to be done during Phase I albeit additional detailed planning will inevitably follow in the post-Phase I period. The Joint Commission believes that the main requirement is to identify in the first instance the limitations placed on development by the constraints of the environment--climate, soils, fresh water, manpower, etc. Therefore, the examination of already completed physical planning documents will be an early integral part of the economic development study.

It is OTSP's opinion that a substantial amount of useful planning has been done in the District. Full account should be taken of this by those charged with developing an overall, integrated plan. Once a general economic strategy begins to take shape, a follow-up study of physical infrastructure requirements will need to be undertaken. The purpose of that study would be the formulation of a time-phased plan of physical improvements essential to the furtherance of economic and social development of the Marianas. It would deal with such matters

as urban housing, recreation, schools and hospitals, etc., in the area of social development and roads, docks, power, water, transportation, etc., in the area of economic development infrastructure.

D. Special Impact Studies

There is an obvious need for early and effective planning efforts with respect to the following matters: (1) local impact of relocation of the capital of the TTPI; for example, the need to reassign or find alternative employment for displaced personnel; (2) the use of vacated facilities on Capitol Hill; and (3) programs needed to train or retrain government personnel in the Marianas.

Specific Events or Activities

The planning for the following discrete events or activities toward the realization of the new political status will commence early in Phase I. These include:

A. The election of delegates to a constitutional convention and convening of the convention

This event will be based on the legislation passed by the Northern Mariana Islands Legislature calling for the election of delegates and the holding of a Marianas Constitutional Convention. OTSP will assist in the planning for the Constitutional Convention as well as during the Convention itself, providing staff and financial support.

B. A constitutional referendum

This should be held after a short but intensive educational effort by the delegates of the constitutional convention with appropriate support from OTSP and the Administration.

C. Election of a new Marianas Government

This will occur immediately following the final U.S. approval of the Constitution of the Northern Mariana Islands.

Joint Commission



OFFICE OF TRANSITION STUDIES AND PLANNING
NORTHERN MARIANA ISLANDS
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

MEMORANDUM

TO: All Members October 19, 1976
U.S.-Marianas Joint Commission

FROM: Director, OTSP

SUBJECT: Contract for Research in Area of Government Organization

As indicated in my memo of September 16, 1976 on this subject and based upon your subsequent approval of the selection of the Institute of Public Administration as the prime contractor for research in this important program area, I have initiated formal contract negotiations with Dr. Mantel of IPA, who arrived on Saipan last weekend.

It is anticipated that the negotiations with Dr. Mantel will proceed smoothly. However, it is clear that we will require an additional \$30,000 to cover the final costs of the services stipulated by IPA. I am persuaded that it would not be possible to cut the proposal to fit the \$100,000 originally programmed for these purposes and at the same time meet the basic objectives, needs and purposes of the project, as approved by the Commission earlier this year. In my view it is of vital importance to obtain the services offered by IPA if the new government is to attain the level of effectiveness and efficiency which we all hope to achieve, within the context of whatever the new Commonwealth Constitution poses.

I recommend, therefore, that the Commission authorize me to sign a contract not to exceed \$130,000, part of which is to be used to pay the salary of a local staff research analyst and for local expenses.

In order to meet the final costs of this contract, we will need to reduce funds now earmarked for lesser priority items or contingencies. My review of the budget, as approved by the Commission in August, indicates that the extra \$30,000 for the IPA contract can be derived from several parts of the program without jeopardizing the attainment of the objectives originally contemplated by the Joint Commission, e.g.

All Joint Commission Members
Page 2
October 19, 1976

reduce the amounts earmarked for physical planning to \$200,000 (saving of \$25,000); reduce the amount reserved for the election of the new Government from \$25,000 to \$15,000; a more realistic figure; and/or (3) reducing the contingency fund from \$14,000 to \$10,000. In short, there is some residual flexibility in our current budget to meet the possible \$130,000 stipulated as the maximum amount to be paid to IPA, and I recommend strongly that you authorize me to sign a contract for this amount and to reserve the additional funds required from categories not yet committed. For the time being, pending final negotiations on the contract for physical planning, I propose to shift \$20,000 from the \$225,000 currently earmarked for physical planning plus \$10,000 from the \$25,000 reserved for the election of the new government to make up the \$30,000 required to cover the IPA contract.

I trust that the Commission has no objections to this plan and shall assume approval if I do not hear to the contrary by October 30, 1976.



Pedro A. Tenorio

/es

ORIG: SALoftus

MEMORANDUM

13 JUL 1976

TO : Director, Office of Transition Studies and Planning DATE: 7/9/76

FROM : Resident Commissioner

SUBJECT: Travel Authorizations, Travel, and Meeting Attendance
Payment to the U.S.-Marianas Joint Commission Members

This is to put in writing one of the comments I made to you in our recent conference. It is a comment on your memorandum of June 25 relating to travel authorizations, etc. In the last paragraph the memorandum states "All Joint Commission expenses will be charged under Account No. 20.710-5, Administration - 'Joint Commission', established by the Marianas Finance Office. The account provides each member an allowance of \$70/day for each day of meeting actually attended. A standard Marianas Government per diem will be paid to each member when applicable."

Since I believe all members of the Joint Commission^{*} are on government salary, I question the necessity or propriety of a \$70.00 a day allowance. Travel expenses and per diem for those who do not live where the Committee meetings are held would certainly be entirely proper.

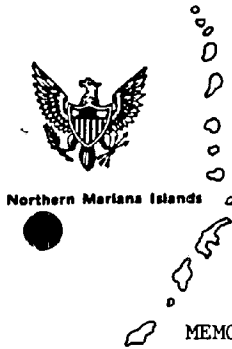
Erwin D. Canham

Erwin D. Canham

EDC/ewd

cc: Director, Office of Territorial Affairs
Speaker, Northern Mariana Islands Legislature
Finance Officer

*Ambassador Williams is on a different but equally governmental form of compensation.



OFFICE OF TRANSITION STUDIES AND PLANNING
) NORTHERN MARIANA ISLANDS)
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

MEMORANDUM

TO: Honorable Vicente N. Santos July 6, 1976
Marianas Co-Chairman
U.S.-Marianas Joint Commission

FROM: Director, Office of Transition
Studies and Planning

SUBJECT: Request for Call of Meeting of U.S.-Marianas Joint
Commission

The latest information we have received is that Mr. Fred Zeder, the U.S. Co-Chairman, will be on Saipan during the week of July 12, 1976.

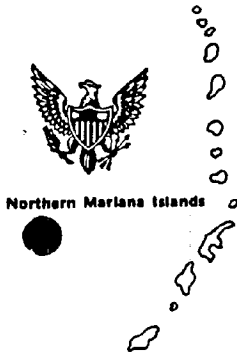
I would like to request that a meeting of the Commission be held sometime during that week to discuss the items in the attached proposed agenda plus other matters.

An announcement of the proposed meeting is attached for your review.


Pedro A. Tenorio

Attachment

PAT:es



OFFICE OF TRANSITION STUDIES AND PLANNING
) NORTHERN MARIANA ISLANDS)
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

AGENDA ITEMS FOR JULY 14, 1976 MEETING OF JOINT COMMISSION

- I. Review of actions taken by the OTSP since last meeting of the Commission in April of this year.
 - a. Recruitment of staff.
 - b. Review of reprogramming action.
 - c. Explanation of recommended work program.
 - d. Review of new job descriptions, particularly role of the Washington Liaison Officer, i.e. is he to be more than simply a member of OTSP working in Washington?
 - e. Administrative matters, report on new office, need to firm up budget - question of Washington office expenses/allowances.
 - f. Discuss possibility of setting up TCD account for OTSP Transition funds
- II. Special problems
 1. Timing and financing of the Northern Marianas Con Con.
 2. Need for guidance re OTSP authority to contract for special studies as result request needs or requests from ResCom or Legislature.
 3. Need for guidance re priorities prior to commitment of any additional large sums.
- III. Others

Office located at Puerto Rico, Saipan, Mariana Islands, Phone: 9457

TO: All Members
U.S.-Marianas Joint Commission

FROM: Marianas Co-Chairman
U.S.-Marianas Joint Commission

SUBJECT: Joint Commission Meeting

Pursuant to understanding of the Joint Commission on calling of meeting by either Co-Chairman, as Co-Chairman, I am herewith calling a meeting of the Joint Commission to be held on July 14, 1976 on Saipan at the Northern Mariana Islands Legislature Conference Room at 10:00 a.m.

The items in the agenda (attached) as well as other matters will be discussed.

Vicente N. Santos

Attachment:

xc: Director, OTSP



Northern Mariana Islands

OFFICE OF TRANSITION STUDIES AND PLANNING
NORTHERN MARIANA ISLANDS
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

June 3, 1976

Mr. Fred M. Zeder
Federal Co-Chairman
U.S.-Marianas Joint Commission
Office of Territorial Affairs
U.S. Department of the Interior
Washington, D.C. 20240

Dear Mr. Zeder:

In a meeting of the Marianas members to the U.S.-Marianas Joint Commission held recently on Saipan, the need for the Office of Transition Studies and Planning to proceed with the contracting of a legal firm to begin preliminary work for the Marianas Constitutional Convention was discussed. The Convention is scheduled for no later than August 2, 1976.

The Marianas members unanimously decided to retain the services of Wilmer, Cutler and Pickering, a Washington, D.C. law firm which assisted the Marianas Political Status Commission during the status negotiations, to undertake the necessary Constitutional Convention preparatory work. These efforts include all facets connected to the Constitutional Convention, including the provision of the necessary professional services, preparation of the necessary studies and briefing papers, and full participation as required in the Convention itself.

On a related matter, the Marianas members also agreed to retain the services of Mr. James R. Leonard, an economic consultant with the firm of Robert N. Nathan Associates, Inc., based in Washington, D.C.

In view of the past excellent professional consulting services provided by individuals of these firms, their familiarities with the background of the status negotiations and the objectives of the Office of Transition, and the importance for continuity, the Marianas members felt that the above named firms be retained to undertake the legal and economic studies, respectively, for the Office of Transition Studies and Planning.

June 3, 1976

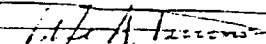
Mr. Fred M. Zeder
Federal Co-Chairman
U.S.-Marianas Joint Commission
page 2

Pursuant to the recommendations of the Marianas members, the Office of Transition Studies and Planning has taken the necessary steps and informed the above mentioned consultants of their retention and to proceed with the necessary preparatory work for the Constitutional Convention and the economic and social development studies. Formal contractual agreements with the firms will be drawn up at a later date pending finalization of a more comprehensive scope of work. The Office of Transition reserves the right to reject these consultants if the terms of the contract cannot be mutually agreed upon.

I went ahead with the decision to notify the firms of their retainment as I feel that in these two cases, the normal procedure for advertising should be waived in view of the reasons enumerated above and the necessity to expedite the preparatory work in order to meet the objectives of the Office of Transition Studies and Planning in a timely manner.

I hope that you and the members of the U.S. in the Joint Commission support this office in its approach to obtain the legal and economic experts to undertake the efforts as defined in the Phase I terms of reference.

Very truly yours,


Pete A. Tenorio
Director

cc: All members, U.S.-Marianas
Joint Commission



orthern Mariana Islands

OFFICE OF TRANSITION STUDIES AND PLANNING
NORTHERN MARIANA ISLANDS
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

MEMORANDUM

TO: Fred M. Zeder, DOTA June 29, 1976
Speaker Vicente N. Santos, NMIL

FROM: Director, OTSP

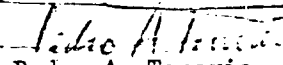
SUBJECT: Proposed Work Program for the Office of Transition Studies
and Planning - July 1976 to January 1978

Pursuant to your request, a proposed Work Plan for the OTSP is submitted for your review and approval of the Joint Commission.

As explained in the attached, it is not yet possible to finalize work plans or contracts for all of the activities or studies previously approved by the MPSC and the U.S. It will, therefore, be necessary to revise or amend parts of this preliminary plan as time passes.

In this regard, the attached plan should be viewed as a starting point which will require review and amendment prior to the end of this year.

Your early approval or comments is requested. Please let me know if you have any questions or guidance regarding the attached.


Pedro A. Tenorio

Attachment

es

xc: Hon. Benjamin T. Manglona, Member w/attachment
Hon. Jose R. Cruz, Member w/attachment
Ambassador F. Haydn Williams w/attachment
Hon. Erwin D. Canham w/attachment



OFFICE OF TRANSITION STUDIES AND PLANNING
NORTHERN MARIANA ISLANDS
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

MEMORANDUM

TO: Fred M. Zeder, DOTA
Speaker Vicente N. Santos, NMIL
June 29, 1976

FROM: Director, OTSP

SUBJECT: Proposed Work Program of the Office of Transition
Studies and Planning - July 1976 to January 1978

In accordance with and in furtherance of the basic mission assigned to the Office of Transition Studies and Planning (OTSP), and in response to requests of members of the U.S.-Marianas Joint Commission on Transition, the following is recommended as a first-cut at an 18 month Work Program for OTSP:

Basic program and objectives

Based on the agreement reached between the Marianas Political Status Commission and the U.S. during the Fourth Session of the status negotiations held on Saipan, May 15-31, 1974, on transition activities to be undertaken in the Marianas and subsequent consultations and joint decisions, the following major program objectives and policy guidelines are recommended:

General or primary program objectives

- 1) To provide plans and related assistance to the new Government of the Northern Mariana Islands of a kind and in a manner

Office located at Puerto Rico, Saipan, Mariana Islands, Phone: 9457

which will be of greatest utility and long-range benefit to the residents of the new Commonwealth; such plans or studies to be initiated and conducted only after approval is obtained from the Joint Commission on Transition or in accordance with policy guidelines established by the Commission;

2) To provide assistance and support to several discrete approved activities requisite to the timely attainment of self-government in accordance with the provisions of the Commonwealth Covenant Agreement with the U.S., viz:

a) the election of delegates to a constitutional convention;

b) the holding of a constitutional convention for the Northern Mariana Islands;

c) a political education program on the proposed constitution;

d) a referendum on the proposed constitution; and

e) the election of a new government, including a Chief Executive of the Northern Mariana Islands.

Special tasks or projects

The following specific studies/plans are contemplated during the period June 30, 1976 to October 31, 1977. A chart depicting these plans in a time-frame is attached.

1) Studies for and support of the Northern Mariana Islands Constitutional Convention - planned for August-October 1976 on Saipan.

The Washington law firm of Wilmer, Cutler and Pickering (WC&P) has

agreed to do the necessary background studies and to provide requisite staff support during the pre-Convention and Convention proceedings. This contract obligates the firm to provide briefing papers to OTSP and to all delegates in advance of the Convention on all subjects judged relevant to the issues which are likely to be addressed by the Convention. The contract with WC&P also calls for the provision of the services of several professional advisors during the period of the Convention, including the preparatory stages - the week preceding the opening of the full convention during which time the pre-Convention Committee will draft recommendations regarding the organization and rules of procedure for the Convention. The work will be supervised by the project director, Mr. Howard Willens, a partner of Wilmer, Cutler & Pickering and by the officers of the Convention.

Relations with other agencies

During the course of this project, appropriate relations with the Resident Commissioner's office, the Northern Mariana Islands Legislature (NMIL) and other interested agencies will be established by the representative of WC&P and supervised by the Director of the OTSP, or the OTSP project director - not yet designated. The contractor shall also be free to establish and conduct relations with other interested agencies or individuals, as judged necessary or advisable. For example, the Director of OTSP will continue his close liaison with the Resident Commissioner and those members of the Legislature responsible for or having an interest in any or all phases of the Convention.

Relationship to other projects or tasks

This effort is fundamental to the achievement of early self-government in the Northern Mariana Islands. A successful Convention and its product, a proposed Constitution, will provide a political and governmental framework to the conduct of other studies and plans envisaged by the Commission.

Resources earmarked or available

As a result of the Commission's recent approval of the reprogramming recommendations of the Director of OTSP, \$165,000 is now available for this tasks. Since the contract with Wilmer, Cutler & Pickering will not exceed \$150,000.00, some \$15,000.00 can be held in reserve or be available to cover related costs of the convention. The total cost of the Convention is not yet known, but the Legislature plans to provide a minimum of \$30,000.00.

Problems anticipated

The timing of the Convention could pose a major problem because the contractor, WC&P, has geared its recruitment of experts to the summer season. Thus, if the Convention is postponed beyond August, the contractor might find it difficult to obtain services of qualified experts. However, the work on the studies and briefing papers, etc., is already underway and would not be affected by any postponement.

The second problem is the availability of funds to cover all of the costs of the Convention beyond the funds available for this purpose from the \$1.5 million appropriated by the U.S. Congress for

transition in the Northern Mariana Islands. It might prove necessary for the Government of the Northern Mariana Islands, either the Legislature or the Executive, to allocate additional funds to this purpose.

2) Socioeconomic planning

The main objective here is to develop a comprehensive socioeconomic plan for the consideration and action by the new government of the Northern Mariana Islands, prior to the end of 1977.

There are several major aspects of this project, as described in the justification presented to the U.S. Congress this spring. The original program plan called for (1) economic and social development planning, (2) fiscal and revenue planning, and (3) the impact on the Northern Mariana Islands of the relocation of the TT capital. Given the close interrelationship of the factors which must be taken into account in the development of an overall socioeconomic plan for the new government of the Northern Mariana Islands, and in order to meet the objectives in this area established by the Joint Commission, the OTSP has engaged the services of a highly qualified contractor - Robert R. Nathan Associates (RRNA) of Washington, D.C. This firm has agreed to prepare a multi-year socio-economic plan, including a fiscal and revenue plan and an assessment of the probable socioeconomic impacts in the Northern Mariana Islands due to the relocation of the T.T. capital. RRNA will also be prepared to present and explain the plan to the first legislature of the new government, in early 1978, and to

the extent permitted by time and resources available under the terms of the contract, the contractor will provide, on request, related technical assistance.

Relations with other agencies

In order to achieve the approved objectives in this area, the contractor, RRNA, must establish early and effective liaison with a number of local offices, private as well as public, and with interested Washington agencies, especially the Office of Territorial Affairs in the Department of Interior. These liaisons will be necessary to obtain the data needed to make the necessary analyses. Poor or incomplete data would undermine any chances of achieving the objectives of this project. Hence, a major part of the time of the Assistant Director for Economics and Finance will be devoted to ensuring that the contractor has access to the latest and best socioeconomic data and to monitoring the progress of the professionals employed.

Relationship to other projects or tasks

This project will hopefully serve as a basis for or assist in the preparation of a wide range of specific plans and programs which the new government of the Northern Mariana Islands may wish to examine or undertake. Specifically, it should provide guidelines to the local administration in fiscal and revenue planning and in structuring programs designed to soften the impact of reductions in government levels or activities or as a result of the relocation of the T.T. capital.

Resources earmarked or available

The funds voted by the Congress for these studies and plans totalled some \$350,000. However, as a result of the contract negotiated with Robert R. Nathan Associates in mid-June, all of the objectives envisaged in the program justification presented to the U.S. Congress should be met by the expenditure of less than \$280,000.00 over a time period of 15 months, or prior to the end of September, 1977.

However, it may prove necessary to reprogram funds for a "crash effort" in the area of the impact of the relocation of the capital if a decision is made to accomplish this over the next 6-12 months.

Several man-years of professional effort will be required to accomplish the plans envisaged by the Commission and required as a basis for new legislation. Also, this project will require the full-time attention of one member of the OTSP - the Assistant Director for Economics and Finance, plus a certain amount of administrative support.

Problems anticipated

None at this time.

3) Government reorganization

In addition to the research for and support of the Constitutional Convention, the transition program calls for the conduct of research and planning for the organization of a structure for the new Government of the Northern Mariana Islands, territorial as well as local.

Although work on a detailed research outline or request for proposals (RFP) is still underway, the OTSP foresees the need for the

assistance of one or more outside consultants expert in the areas of government organization, public administration, and local government.

It is assumed that one of the major objectives of this effort will be to produce an overall plan or alternative recommendations for the structure of the new government of the Northern Mariana Islands, plus proposals regarding interrelationships between the major elements of this government.

The end product should be a blueprint on how best to adapt the present governmental structure to: (a) the new constitution, (b) the projected availability of public funds, and (c) to prevailing political views of local leaders.

There are several discrete areas which will require particular attention - 1) the organization and interrelationship of departments within the Executive Branch of the new Commonwealth; 2) the organization and procedures of the bi-cameral legislature; 3) the organization and authority of local units of government, plus the nature of their relations with the new Commonwealth government and with one another.

In addition, studies and proposals relevant to this area include:

- (1) a detailed review of the present governmental structure and of intergovernmental relations and procedures;
- (2) a critique of current governmental organization and functions in the light of the proposed new constitution and the results of studies in analogous situations in the USA;
- (3) proposals covering all major aspects of public administration - e.g. inter-governmental affairs, local government, planning and budget functions, personnel policies and pay-scales,

recruitment and training of career professional personnel, use of outside consultants or contractors, financial managements, etc.;

- (4) role of quasi-independent boards or commissions, e.g. a local regulatory agencies or a Civil Service Commission for the Northern Mariana Islands.

Relationship to other projects or tasks

This project will provide an institutional framework for the other studies or programs being developed under the Transition program, and should reflect or take account of the results of their work, especially in the areas of fiscal and revenue planning and constitutional development

Resources available

No more than \$50,000.00 is available for work under this part of the program, plus the amounts budgeted for the work of an Assistant Director for Public Administration, some \$25,000 plus allowance.

As mentioned above, the Director may decide to recommend that all of this work be put under contract or given to an expert consultant(s).

4) Studies and plans regarding the applicability of U.S. programs and services

This activity is of prime importance to the people of the Northern Mariana Islands and thus to their new government. While the Commonwealth Covenant establishes general guidelines in this area, a policy basis for action on the part of both the U.S. and Northern Mariana Islands governments, there is a great deal of research and

analysis that needs to be done in the area of the applicability of U.S. legislation--programs and services for which the new Commonwealth should be eligible.

As a result of a recent review of the OTSP program budget, \$25,000 has been reserved for this. This does not include the expenses or salary of the OTSP Washington Liaison Officer who will spend a major part of his time on this task. It will permit the engagement of a research assistant(s) to assist the Washington Liaison Officer in the fulfillment of his primary mission. Computer service for rapid and uniform identification of federal programs and services applicable to the new Commonwealth may be utilized. Funds will be required for such services.

A more detailed work plan for this activity will be submitted to the Commission once the Washington Liaison Officer has had an opportunity to assess the problem from a Washington perspective and to consult with others in Washington knowledgeable in this area.

5) Physical planning

The report of the special ad-hoc committee on Transition, as approved by the U.S. and the MPSC in 1974, called for an assessment of the current TT and Northern Mariana Islands planning efforts in light of local environmental constraints, such as water resources, soils, manpower, etc. This report assumed that a "substantial amount of useful planning" had already been done by the District Administration over the past several years. On the contrary, it is clear that there

are major gaps or deficiencies in the plans available, either they are largely incomplete or are out-of-date, e.g. the physical plan for Rota was based on old data and fails to take account of new technology and does not present alternatives worthy of consideration by those responsible for making the tough decisions required at the political level.

Program objectives

The main objective of work in this area is the formulation of a time-phased action plan for physical infra-structure improvements (projects) considered essential for a sound and orderly economic and social development throughout the Northern Mariana Islands. Such a plan should encompass the drawing up of basic master-planning concepts for such sectors as utilities, urban development, housing, transportation and communications, schools, hospitals, etc.

Also lacking is a general political-social framework or assumptions for this planning. Physical planning cannot or should not be done in a vacuum; it must take full account of political and social values and objectives. While it is clear, for example, that new or better infrastructure is needed in the islands if additional outside capital is to be attracted, the physical planner must be given guidance as to social or broad program priorities, e.g. is tourism or satellite industry to be given priority or is agriculture or fishing to be emphasized in an overall plan of economic and social development?

There are, however, a number of discrete and fairly pressing requirements for which work can proceed independently. For example,

there is an urgent need for an immediate architectural and engineering (A&E) design for the improvement of the airport and harbor facilities on Rota and Tinian, A&E design of the American Memorial Park on Saipan, A&E design for water systems on Tinian and Rota, and A&E design for highways and roads on the three major islands.

It is hoped, therefore, that portion of the \$225,000 earmarked in the OTSP budget for the general purpose of physical planning be made available for advance A&E design so that these construction projects may be immediately contracted out once CIP funds under the Covenant are made available upon the installation of the new government. In order to provide sufficient advance A&E design funds for priority CIP projects, OTSP proposes to invest the necessary portion of the \$1.5 million Transition funds in Time Certificate of Deposit whereby accrued interest from such deposits will be earmarked for design purposes. It is requested that the Joint Commission review this proposal which is one realistic alternative toward raising funds for design work of priority projects which can be accomplished together with the overall physical/master-planning studies.

As for the remainder of this program, it is our view that we first need to recruit a qualified physical planner for the staff or alternatively to obtain the services of a highly qualified consultant who would then proceed to develop a work program which will complement or take account of the work of Robert R. Nathan group, who have been engaged by OTSP to complete a long-range socioeconomic development plan, including fiscal and revenue planning.

In short, it is our intention to ensure that planning in these two highly related areas proceeds in step and that the physical plans or proposals which will emerge from this effort will take full account of the work of the RRNA group and reflect the policy or political goals which emerge from the constitutional convention and Washington (DOTA) reviews of current programs.

Resources available

The current program contains \$225,000 for this purpose, but as mentioned above, this figure should be reviewed and justified anew in light of a fresh review of current plans and work underway in related planning areas. It is possible that additional funds will be required to do the minimum required, particularly in view of the very limited resources available to local government agencies, i.e. the need to augment quickly ongoing efforts in this area.

6) Initial legislative program

It is contemplated that this effort will reflect the principal findings or recommendations of the above referenced studies and follow extensive staff consultations with responsible officials in the Executive and Legislative Branches and in light of the studies and plans outlined above.

The level-of-effort planned for this area is relatively low, given the need to accord priority to the above mentioned plans and activities. It will depend largely on the availability of resources following the first year of the OTSP program and/or the priority given to it by the Commission when it reviews the program in late 1976 or early 1977.

For the present, the OTSP recommends that no specific plans be made or funds earmarked for this project, pending a review by the Commission of the other elements of the program and the costs of the Constitutional Convention and more urgent planning tasks.

Special activities - discrete events - in conjunction with the establishment of a new government of the Northern Mariana Islands

1) Constitutional Convention

As mentioned above, the approved transition program contains funds for the support of a constitutional convention to be held on a date to be determined by the Legislature, as approved by the U.S. Resident Commissioner or the Secretary of the Interior.

In line with recent reprogramming decisions, funds available for this event from the total \$1.5 million, now total \$75,000.00. Although the costs of holding a fifty-day convention have yet to be determined, it is possible that additional amounts will be required; these might be derived from other sources, e.g. the Legislature has already appropriated \$30,000.00 for this event and might be able to provide many of the facilities required by the delegates.

Once a final cost estimate can be made, bids for facilities have already been sent to several hotels on the island, further information will be provided or an appropriate recommendation will be made to the Commission.

2) Constitutional education program and constitutional referendum

As a result of reprogramming action \$25,000.00 is now available for this task, plus whatever more the Legislature may appropriate and

whatever efforts the Resident Commissioner's office can devote to this purpose. In any case, the program must be the result of close cooperation with all concerned governmental agencies in the Northern Mariana Islands, and be conducted in conjunction with interested private and public groups.

This project will be of fairly short duration, beginning during the Convention, probably late August 1976 and ending on the date of the referendum, probably sometime in November or early December 1976.

It is assumed that a major role in this educational efforts will be played by the delegates themselves, plus other interested local political leaders. However, a well-coordinated and integrated action plan must be developed prior to the end of the Convention if the stated objectives of this part of the Transition program are to be achieved.

The holding of the referendum itself, including the costs thereof, should be the responsibility of the office of the Resident Commissioner, given the nature of the event and the responsibilities of the U.S. in this matter.

3) Election of the first government of the Northern Mariana Islands

Although this is presently listed as an element in the program of transition, the exact date and costs thereof have yet to be determined. This event must follow U.S. approval of the proposed constitution of the Northern Mariana Islands and the nominations of candidates to the new legislature plus a period of political campaigning.

Funds available for this event from the transition budget total \$25,000.

The OTSP wishes to reserve the right to recommend that these funds be devoted to more immediate or pressing needs, given the fact that the election of local governments is a normal or traditional responsibility of the U.S. under its trusteeship responsibilities.

Presentation of an initial legislative program

This event cannot be detailed until after the several relevant studies planned are completed and proper coordination with appropriate governmental authorities and interested local leaders accomplished.

It may be possible to do much of the work contemplated "in house," by the staff of the OTSP with assistance from local authorities or experts.

It is our intention to advise the Commission further on this program element after a more solid basis for a program plan can be developed.

Priorities

The most urgent task will be to complete the studies and provide necessary staff support to the members of the Constitutional Convention and to the organized Committees of the Convention. This work is already underway and will be completed through a contract with WC&P - a draft contract for \$150,000.00 has been negotiated with Mr. Willens of this firm.

Next in priority is the completion of preliminary analysis in the most critical or basic sectors of the socioeconomic plan. This work is also underway and committed to contract with RRNA as mentioned above, it may prove expedient to augment work on the sub-project dealing with the socioeconomic impacts of the relocation of the T.T. capital - depending on the timing and time-phasing of this decision and implementing plans.

The physical and governmental planning efforts are of less urgency for they should not be initiated or allowed to progress independent from the results of the Con Con or the preliminary analysis of the RRNA researchers, as reviewed by the OTSP and members of the Commission.

Work in the area of the applicability of U.S. federal programs and services, however, can proceed independently and should begin as soon as the Washington liaison office can be established.

The attached work chart indicates the suggested or preliminary timing of the remaining studies, plans or events.

TIME PHASING OF PRIMARY TRANSITIONAL ACTIVITIES

	<u>July August Sept Oct Nov Dec '76</u>	<u>Jan '77 - June '77</u>	<u>July '77 - Dec '77</u>	<u>Jan '78</u>
<u>A. Transition Activities</u>				
1. Constitutional Convention and professional support of ConCon	[← →]			
2. Constitutional Education Program	[← →]			
3. Constitutional Referendum		*		
4. Election First Gov't NMI			*	
5. Presentation of planning studies to new Government				*
<u>B. Transition Studies/Plans</u>				
1. Background papers for ConCon (Agent - WC&P)	[← →]			
2. Socio-economic, including fiscal planning & impact studies (Agent - RRNA)			[← →]	
3. Physical planning (Agent - to be designated)			[← →]	
4. Applicability U.S. laws/programs (Agent - Washington Liaison officer)			[← →]	
5. Research re organization for new government NMJ			[← →]	
6. Initial legislative program (Agent - to be determined)			[← →]	

* one-time events, exact dates yet to be determined.

SOCIAL AND ECONOMIC DEVELOPMENT PLANNING

In the area of economic and social planning, a contract with Robert R. Nathan Associates was signed on June 18, 1976 to provide OTSP with professional planning assistance and services in the preparation of the:

- (1) multi-year social and economic development plan;
- (2) multi-year government fiscal and financial plan; and
- (3) assessment/impact study of the TTG capital relocation upon the local conditions in the Northern Marianas.

Mr. James Leonard, Senior Vice-President of RRNA, who had participated for a number of years as economic consultants to the Marianas Political Status Commission is the Principal-in-charge of this project, assisted by a resident team from RRNA consisting of Dr. Irving Swerdlow (team leader), Mr. Roger Manning (development economist) and Ms. Adelina Celis (local economic trainee). The resident team began functioning in August, 1976 and operates out of the OTSP main office on Saipan. The planning tasks to be performed by RRNA are spelled out in the Scope of Work, which is attached herewith. A PERT chart of the planning tasks is also attached. The coordination of the planning activities for the OTSP is charged the Assistant Director of Economics and Finance, Mr. Manuel A. Sablan, who is a resident of the Northern Marianas and has had extensive economic background in Micronesia. He monitors the contractual obligations of the planning contractor, RRNA, to insure that they are carried out and also provides whatever support is required within the capability of the OTSP by the planning contractor for an effective and efficient preparation of the plans and studies.

These plans and studies will all be completed by October 1, 1977. RRNA will assist the OTSP in presenting these plans to the new constitutional legislature. The price of the RRNA contract is \$272,200 plus a fixed profit of 6.5 percent. The fixed profit is computed on the basis of expenditures incurred by RRNA. OTSP is to reimburse RRNA on actual planning expenses incurred as authorized in the expenditures budget provided for in the contract.

The planning activities are progressing well and highlighted below:

(1) The resident team has substantially completed all the major resource base studies. Much efforts have gone into the preparation of these studies which involved collection, analysis and interpretation of resource data and information, interview with representative interest groups and local leaders of the principal islands in the Marianas, etc.

(2) RRNA has contracted two short-term planners/consultants, one in Public Safety (Mr. Jack Groan and Mr. D. Crisostimo) and another in Public Health (Dr. Furstenberg). These experts have spent several weeks in the Marianas conducting their respective studies. Their reports are currently being reviewed by RRNA. The short-term consultant on Public Revenue and Taxation, Dr. Bob Johnson, has just arrived in Saipan to begin his assignment. It is expected that a consultant on agriculture will also be recruited to provide short-term specialized assistance in this area.

(3) Major strategies for development are being formulated and this step is extremely crucial in that serious consultations will begin at this point to insure that the people are made aware of a number of major options for social and economic growth as well as the major policy decisions that must be made to insure that the available resources

are directed to achieving the goals, objectives and targets established.

(4) The OTSP has been providing the Resident Commissioner, NMG, staff assistance in a number of major "transitional" matters. Such assistance includes: negotiations of the "separation" agreements with the Trust Territory Government, preparation of the FY 1977 "special" supplemental appropriation and revision of the FY 1978 budget for the NMG and preparation of selected economic studies--to name just a few: a study on TTG employment impact on Marianas import tax revenues and an analysis of economic benefits foregone by NMG due to delayed implementation of the Saipan/Japan route.

(5) The assessment/impact study of TTG capital relocation upon the Marianas has already begun. Relevant planning information in this regard has been pretty sketchy and our efforts to obtain reliable information have been somewhat unsuccessful. No formal plan has been prepared by the TTG Headquarters for the relocation and/or the descaling of operations as a result of the "decentralization".

In the absence of information, detailed impact study will be not possible. The planners will be reviewing the possible losses of economic benefits due to the TTG relocation and will suggest certain alternatives to make up for such losses. In this connection, efforts will have to begin soon to take stock of the number of Marianas employees at the TTG Headquarters who will be displaced, their occupational experience and skills, kinds of training or re-training programs suitable, placement programs required, and the alternative plans for the use of abandoned TTG Headquarters government housings and facilities.



OFFICE OF TRANSITION STUDIES AND PLANNING
NORTHERN MARIANA ISLANDS
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

MEMORANDUM

TO: Director, OTSP March 2, 1977
FROM: Assistant Director Public Administration
SUBJECT: Project Progress Reports, Study Papers, etc. for Information
Purposes to U.S.-Marianas Joint Commission and U.S. House of
Representative Subcommittee on Appropriations

I have compiled the following reports and preliminary notes submitted by the Project Director, Dr. Howard Mantel, Institute of Public Administration pursuant to your memorandum of February 28, 1977.

These materials would be best appreciated by the U.S.-Marianas Joint Commission rather than by the U.S. House of Representatives Subcommittee on Appropriations. The only material useful to the Subcommittee would be IPA's quarterly and interim report inasmuch as it will inform them of the activities of OTSP in the area of Government Organization planning.

*Per
I need a
summary of
these
materials*

A caveat, all of these notes are only in the preliminary stages and should not be interpreted as a final document of OTSP. There will be subsequent changes as these notes are subjected to interaction with the other studies.

*Progress as
related to
scope of work
by Tue 3/8*

IPA is on schedule with respect to filing the quarterly report according to our contract and has also been meeting their dateline on submitting preliminary notes on their revised work plan.

Pedro M. Atalig
Pedro M. Atalig



OFFICE OF TRANSITION STUDIES AND PLANNING
NORTHERN MARIANA ISLANDS
P.O. BOX 42
SAIPAN, AMERICAN MARIANAS 96950

Northern Mariana Islands

MEMORANDUM

TO: Director, OTSP March 8, 1977

FROM: Assistant Director, Public Administration
and Government Organization

SUBJECT: Summary Report of Project Activities

Two phases of the contract with the Institute of Public Administration in the government organization project has been completed. Phase I, Reconnaissance, was the survey and review of the existing government infrastructure. This phase identified key government organization and public administration issues. It demonstrated the need to emphasize the legislative program and structure of the executive branch of the commonwealth government, while establishing guidelines for upgrading administrative mechanisms. Phase II is consultation services provided by IPA to the Constitutional Convention. Expert consultation was provided both in legal and governmental organization. The final product of the convention, the Constitution of the Northern Mariana Islands was overwhelmingly approved by 93% of the total votes cast in the March 6, 1977 Constitutional Referendum.

The Institute of Public Administration is in the initial stage of Phase III of the contract. Preliminary notes and reports have been submitted to the Director, OTSP, in the three main areas of the project, Legislative Program and Priorities, Government Organization, and Administrative Mechanisms. These notes are study papers which will be modified and changed upon further consultation with the Director and his assistants.

The following are the summaries of the preliminary notes submitted by IPA in the respective areas of studies in the initial stage of Phase III:

1. Legislative Program and Priorities

- preliminary rules on legislative organization and procedures has been prepared. It provides for a committee system for the bicameral legislature, a method for identifying legislations (bills, local bills, appropriations, etc.), and a process of reconciling differences between the two houses.

Office located at Puerto Rico, Saipan, Mariana Islands, Phone: 9457

- a preliminary note and outline for the Northern Mariana Islands commonwealth code has been prepared. This outline will facilitate an orderly transfer of sections of the T.T. and Mariana Islands District Code and codifying permanent enactments of the new legislature. It will further provide as a framework for the gradual adoption, addition, or revision of the Commonwealth laws.

2. Government Organization

- a preliminary outline of the legislative organization with accompanying rules as mentioned above have been prepared. It includes the administrative and professional staffing patterns. a "lean" budget of about \$420,000 is proposed. The outline makes two important suggestions: (1) an office of professional services within the Legislature consisting of 5 or 6 professionals and (2) a prelegislative conference, to be convened directly after the 1977 elections and be comprised of Senators and Representatives-elect which will review and agree upon a set of rules for the Legislature (OTSP proposals) and enable members-elect to be thoroughly briefed on their duties and responsibilities and the substance of physical, organizational and economic and social plans.
- preliminary notes and agency profiles has been prepared. It proposes seven staff agencies, seven line agencies, and seven specialized and independent agencies (functions like line agencies). It is proposed that the agencies will provide centralized support services, including oversight and control and help set policies. Respective agencies have listed functional responsibilities (attached preliminary sketch of organization of Executive Branch).
- Preliminary notes on alternative arrangements for the local government operations in Rota and Tinian has been prepared. It is recommended that the ResCom Rep-arrangement be discontinued. There would be no useful purpose served by transferring the ResCom Rep's functions to the Office of the Mayor. It is proposed that responsibilities will be increased in the new resident department heads. Other recommendations include a local finance office with one employee to serve as bookkeeper for the local departments; an administrative forum of resident heads; a deputy chief administrative officer be appointed with special responsibility of facilitating local government services; and lastly, all funds for services and capital improvements on Rota and Tinian be included in the budgets of the central departments.

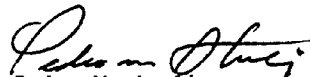
- preliminary notes on planning organization recommends establishment of a central planning unit in the executive branch. It will coordinate but not direct planning efforts. Also, planning units be established in each of the principal operating agencies.

3. Administrative Mechanisms

- The preliminary notes on training identifies the need for a multi-faceted training programs for senior executives, middle managers, and supervisors to equip them with skills required under the new government. It is not recommended that a single purpose application of the limited training funds be effected because of the many skill requirements. Alternative training programs are proposed to solve basic low motivation prevalent in many government employees. Immediate steps are recommended in the identification of skills which require upgrading in unison with the organization and formulation of personnel policies.

Work is progressing accordingly. Drafting of legislations required by the Constitution is underway. This will include among other things, a Code of Ethics and Disclosure for public officials and an omnibus act which assures control and accountability of public authorities. Also, being addressed at this time, is the organization of the judicial branch. Interim measures for a public utilities agencies have been proposed and is awaiting action.

In conclusion, as the final phase of the IPA contract draws near completion, further consultation will take place before alternative recommendations are put forth for the Government Organization Project.


Pedro M. Atalig

Attachment
PMA:es

PHYSICAL DEVELOPMENT MASTER PLAN

Northern Marianas Government

The Physical Planning Master Plan contract was awarded to Pacific Planning and Design Consultants by the Office of Transition Studies and Planning on 28 November 1976 with a notice to proceed date (NTP) of 3 December 1977. The scope calls for developing a master plan for the four major islands of the Northern Marianas-- Saipan, Tinian, Rota and Pagan.

PPDC is a joint venture company comprising the following firms: Juan C. Tenorio & Assoc., Inc., Guam and Saipan; Thomas J. Davis, Inc., Guam and Saipan; and Sunn, Low, Tom & Hara, Hawaii and Guam. PPDC has in-house capabilities in architecture, engineering, planning, environmental design, and surveying.

Juan C. Tenorio, P.E., a native Saipanese, was appointed as project manager and Paul Mushovic, AIP, as resident planner. Tenorio has similar planning experience on Guam, as well as experience in engineering, planning and design elsewhere. Mushovic was educated as an environmental planner and has experience in environmental planning as well as in transportation planning for the Government of Guam.

The physical planning was broken down into the following phases:

1. Data collection
2. Data assessment
3. Development of program goals
4. Development of planning concepts
5. Determination of budgetary requirements
6. Preparation of the planning documents

The planning areas are:

1. Public utilities
 - a. water

- b. sewer
- c. power
- d. communication
- e. solid waste
- 2. Public facilities
 - a. education
 - b. health
 - c. recreation
- 3. Access of ^{and} circulation
 - a. roads
 - b. harbors
 - c. airports
- 4. Land use
 - a. agricultural - homesteading
 - b. agricultural - open space and environmental constraints
 - c. conservation
 - d. residential
 - e. commercial
 - f. industrial
- 5. Regulations
 - a. zoning
 - b. building code

At the initial meeting of the physical planners, the social-economic planners, the Director of OTSP and his respective assistant directors, it was decided that there should be two planning periods:

- 1. the first seven years to commensurate with the provisions of the Covenant
- 2. the year 2000

The problems of population projection and planning periods are still being discussed jointly by the physical and socio-economic

planners. Instead of the year 2000 as one of the planning periods, it has been suggested that perhaps a population of 50,000 inhabitants for Saipan be projected into the future and developed, ~~and that~~ the infrastructure and land use be based on that figure. The major constraint anticipated on the total population that the island can support is the water resource. Another constraint is the problem of substantially changing the lifestyle. This last problem, however, is more the problem of the socio-economist than that of the physical planner.

Prior to Mr. Mushovic coming on board, Mr. Neils Stoermer was designated as acting resident planner. He worked out of the Saipan office for a period of three weeks. He requested and obtained permission to use the "Fast Track Planning Method" in order to determine and focus on problem areas which need immediate attention. He concentrated his efforts on Saipan.

As a result of his "Fast Track Planning", Stoermer developed overlays for a USGS map on a scale of 1:10,000. The overlays developed are:

1. Map of existing conditions
2. Slope analysis overlay
3. Soil classification overlay
4. Overlay showing present and future traffic flow, volume and areas of congestion
5. Overlay for agricultural and conservation areas
6. Overlay showing existing and proposed land uses of Garapan and the harbor-industrial complex and surrounding areas
7. Overlay for showing existing and proposed land uses of Chalan and Kanoa
8. Overlay showing the "Gateway to Saipan"--the area around the golf course

About 95% of the data collection, inventory and analysis efforts has been completed. Several visits to Rota and Tinian have been accomplished. An overnight trip to Pagan will be conducted by both the PPDC principals as well as the other consultants and OTSP personnel on 19 and 20 March 1977.

The prime consultant of PPDC, Mr. John Mink, the hydrologist, has submitted his preliminary report on the ground and surface waters of Saipan, Tinian and Rota. Other consultants--soil, tourist facilities, etc., will be converging on Saipan during the week of 14 March 1977. Their reports should be forthcoming shortly.

As a result of the "Fast Track Planning", the following initial problems and recommendations have been identified:

1. West Coast Highway should be improved and used as the primary highway in lieu of Beach Road.
2. A moratorium on construction on Beach Road should be instituted immediately in order to stop the uglification of the seashore.
3. Texas Road should be improved as a primary road as soon as possible in order to provide a parallel and alternate route to Beach Road from San Jose Village to Chalan Kanoa.

Detailed information on the progress and findings of the project can be extracted from the attached report by Paul Mushovic.

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PRELIMINARY STATUS REPORT INVENTORY AND ANALYSIS

The following report has been prepared to indicate the activities to date which have been accomplished by Pacific Planning and Design Consultants in completing their assigned tasks with the Office of Transition Studies and Planning (OTSP).

Concentrated efforts began with the arrival of Mr. Niels Stormer in early December. Niels concentrated on Saipan during his two weeks stay and initiated the early inventory collection. Prior to his departure on December a presentation was made to OTSP staff concerning his initial efforts.

On January 13, Mr. Mushovic the resident planner arrived on island and initial efforts were centered upon gathering data for the islands of Rota and Tinian. Since his arrival Rota has been visited twice and Tinian once. Further collection of inventory data and preliminary analysis on most program elements has also been conducted.

To date it is estimated that 90 to 95 percent of the data collection and inventory have been completed. Preliminary analysis and preparation of inventory data to be delivered to other professionals working on the project is either completed or underway.

Present plans and scheduling including the congregation on island the week of March 14th Project Principals and chiefs responsible

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for each element of the plan in order to: 1) complete the initial analysis 2) determine any further inventory needs, and 3) establish the goals and objectives which should be pursued in the planning efforts.

SAIPAN

UTILITIES PLANNING

Water Supply

Mr. John Mink, the team's consultant hydrologist, visited the island in late February. Mr. Mink concentrated his effort on looking at the available water supply and present pumping characteristics. Generally the daily production of water for Saipan is approaching 3,000,000 gallons. Water quality in the North is considered good to excellent. In the South pumpage from Isley Field indicates moderate amounts of chlorides. Presently, drilling is underway to develop additional wells in the Isley Field area. Mr. Mink, Mr. Antonio Tenorio Northern Marianas Director of Public Works and Mr. Dan Davis the TT Hydrologist had several meetings concerning these wells. Mr. Mink suggested that improvements could be made to present well fields in the North and Central sections of the Island to

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improve yield. He also expressed an interest in exploration of several new well field locations. His full report is expected to arrive shortly.

Water Distribution

PPDC is presently working with Public Works to establish data on the age and condition of the present distribution system. Assuming that 3,000,000 gallons of water per day is being produced and an estimated 1977 population of 12,500, the water consumption per capita per person daily for all uses would be 240 gallons. Consumption of water at this level is considered to be highly unlikely and indicates that either the water distribution system or lack of water conservation by citizens accounts for a good percentage of loss. Public Works recognizing this fact is presently pursuing a program which would have all residences and businesses metered.

Generally, it appears that water consumption can be controlled through the utilities of meters. There are now approximately 1,100 metered customers and an equal if not a slightly greater amount of unmetered houses. Consumption averages in metered houses is averaging approximately 10,000 to 14,000 gallons per month. If we assume a household population of 4.8 persons, the consumption per capita averages between 88 and slightly less than 100 gallon per person per day. This indicates either

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considerable wastage in unmetered houses or a great deal of loss in the distribution system.

Programs to install meters in all households and business and to improve distribution are presently underway. Patch up improvements have been initiated in Chalan Kanoa, Oleai, Susupe and San Antonio. Construction drawings are presently completed for San Roque, Tanapag and North and South Garapan.

Five new areas are also under study. Survey and A&E activities are presently being conducted in Gualo Rai, Afetna, Fina Sisu, Chalan Kiya and Chalan Piao.

SEWER FACILITIES

The Northern Marianas Department of Public Works is presently negotiating a contract with Sun, Low, Tom and Hara a consulting engineering firm from Hawaii. The apparent thrust of the sewer program here is to change priorities from constructing secondary treatment facilities to provide adequate water distribution and sewer hook-ups. The studies to be conducted would attempt to justify the change of priorities from treatment plants to much needed hook-up facilities and the provision of adequate water to households. At last count less than 10% of all households were hooked up to the sewer system. An initial analysis would appear that present priorities are more effective and important than plans to establish secondary treatment facilities.

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Electrical

Presently we have sent copies of the Power Distribution system to the electrical consultants for their review. The review of future power plant requirements will depend on future land use plans and population and development growth. The availability or unavailability of Power Barge Impedance will also play an important role. We have not yet received a copy of the recent Power Plant feasibility study which was prepared for Northern Marianas Government Department of Public Works. We do feel the need to carefully evaluate potential growth before assessing whether or not the proposed power feasibility plan is adequate. Our cursory analysis indicates that the growth projections were considerably low.

Solid Waste

The present landfills on Saipan are considered to be inadequate by the corps of engineers and presumably by the Environmental Protection Board as well. The Saipan solid waste disposal plan was the only study available for review. A field inspection of both dumpsites indicates that a problem does exist and that a sanitary landfill should be developed on the island. Two items which need to be resolved include: 1) its eventual location, and 2) whether an island wide collection system should be instituted. Sites under investigation include the Lake Susupe

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area recommended by DPW and the As-Lito site an abandoned quarry off of Isley field entrance. Both sites have advantages and disadvantages and should be analyzed further.

One apparent problem of the study was what appears to be very high population projections. Assuming of smaller growth population projections as proposed by the socio economic consultants would indicate a reduction of the overall capacity required thereby making other sites originally inventoried but eliminated due to their size adequate. Another major concern is whether or not a house to house collection system should be implemented or some other modified form of municipal collection.

TRANSPORTATION FACILITIES

Roadways and Highways

The 1968 masterplan identified approximately 42.5 miles of secondary and village road requiring improvements. A subsequent study prepared by the District Director of Public Works in 1969-70 prioritized the road rebuilding program. Other than a minimal maintenance program no reconstruction or new construction has been undertaken. In 1974 the District Planner prepared a new Road Program recommending that some 90 miles be improved or reconstructed on Saipan. Estimated cost for the program was 19.5 million in 1974. Other than the resurfacing of airport road no construction or road work other than maintenance has

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been initiated. An estimate of cost for the 1977-81 budget indicated that in the Marianas some 203 miles needed to be reconstructed 91 miles of which were on Saipan. Estimated cost of the entire Northern Marianas road project was \$43,000,000.

Generally, it can be stated that the surfacing on the existing paved roads is worn out. Cracks indicating pavement failure and pot holes and slumps indicating subgrade failure are evident everywhere. More important it should be realized that a good portion of the road system life could be extended with the implementation of an overlay program; However unless completed relatively soon (within 2 to 4 years) the roads will require major reconstruction due to further deterioration. It seems likely that the 79 to 80 miles of road identified for Saipan as primary, secondary or scenic road will be reduced in the final plan.

Harbors

Initial projections by Social Economic Consultants indicate a three-fold increase in the amount of cargo being handled at the present facility Charlie Dock. Present equipment is considered junk with the exception of several new fork lifts. The crane presently in use is borrowed from Department of Public Works. The dock itself is in need of repair and the access channels require dredging. A packet of information is being put together for the Harbor Consultant for his arrival during the week of the

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14th of March. A more complete analysis and goals and objectives will be completed at that time.

There is a need of additional warehouse facility to accomodate future increases on incoming cargoes. The closer the location to the present warehouse, the better.

Present operational cost is high due to low cargo volume.

Cutting down manpower could create a problem once the cargo ship arrives. It's becoming a problem hiring stevedores (gangs) on temporary basis, since, it is always necessary to train them as most of the previous stevedores usually find employment elsewhere and the chance of hiring them back is doubtful unless it can be made on a regular job basis. At least 30 longshore men (stevedore) would be appropriate for the imminent future needs.

Most equipment at present is considered of junk value. The only workable equipment includes;

- 1 - 50 ton crane - loaned by DPW
- 1 - 23 ton Fork lift
- 1 - 7 ton - do -
- 2 - 3 ton - do -
- 2 - 2½ ton - do -
- 2 - 2 ton - do - due to arrive from Japan soon.

There is a need of at least 1 - 75 crane at present and additional Fork lifts but there are no funds available for necessary equipment purchase. There is also a need of dredging the present harbor to accomodate larger vessels.

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Airport

Present airport for Saipan appears adequate to handle future projected traffic in the ensuing years. There is the potential for developing an aircraft maintenance and repair facility for utilization by Continental and or other air carriers. Present Masterplan should look carefully at the potential of a maintenance center and plan should include the provision of adequate land for the development of such facilities.

Initially, a fairly large Airport Masterplanning effort for the Northern Marianas was envisioned in the contract. The need for this effort has since been analyzed to be much less than originally anticipated as the recent Ralph M. Parsons report appears to have provided sufficient coverage of airport needs and overall improvement recommendations.

LAND USE

To date most relevant land use planning information has been collected and is presently being transferred to the 1 to 10,000 scale for plan presentation. Total land mass of Northern Marianas is about 119 square miles. Four of the islands are quite substantial, Saipan 30,000 acres, Tinian 25,000 acres, Rota 21,000 acres and Pagan 12,000. Saipan (1968) and Rota (1972) have preliminary Masterplans available from which to expand on future land use planning.

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Agricultural Homesteading

Land tenure practices especially the provision of Agricultural Homesteads must be carefully addressed in the new plan. Total land area is finite and although much land is still under government control recognition of future government land requirements need to be addressed before the land base is depleted through over extension of land ownership via the Agricultural Homesteading Program. Equally as important is the problem which exacerbates itself when initially government provides land and this is followed by demands for provision of services, water, power, roadways. All tax the governments ability to provide necessary services often requiring sacrifices in more pressing areas.

Agriculture - Open Space and Environmental Contraints

Soils maps identifying most valuable agriculture lands are available and PPDC has prepared a slopes map and land ownership map which will be used to identify future lands available for various development considerations. A resources inventory map is being prepared in cooperation with the District Planners Office and an overlay map will be made to establish an overall environmental constraints map.

Residential-Commercial

Maps indicating present residential and commercial areas are

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available. Projected or future residential sub-division maps and agricultural homestead area lands have also been identified. These will be transferred to a cultural constraints map. It must be decided whether the plan is to provide for the continuation and proliferation of strip commercial development. Plan must accommodate mom & pop stores but may well restrict locations of large commercial development.

Industrial

Two major industrial sites have been tentatively identified and include a light industrial warehousing and possibly food processing facility near the present Public Works compound. Initial studies by the Socio Economic Consultants indicate that the first phase plan should include 20 to 25 acres of facilities. A second industrial site that merits attention is a potential site at the airport that would provide maintenance and repair facilities for commercial airlines serving Saipan.

A third area which requires study is a potential small boat fisheries harbor and ancillary facilities proposed to be developed in South Garapan. Generally it is anticipated to be a small boat marina for shallow draft outboard and inboard motor boats.

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Commercial fishing boats would use the berthing area north of Charlie Dock.

The present Sugar Dock in Susupe although perhaps a superior location lacks available public lands for expansion.

ROTA AND TINIAN INVENTORY AND ANALYSIS

INTRODUCTION

Due to the concentration of active land uses in relatively small areas of the islands land surfaces Rota and Tinian offer excellent opportunities to develop and practice good land use planning principles.

Rota has abundant land and water resources and its Sabana area contains the most productive agricultural lands in the entire Marianas. Tinian provides a somewhat more challenging planning problem as 2/3 of the Island will be controlled by the Military. Thus development for Tinian should first consider the present civilian population but must also be flexible enough to accommodate a large military contingent.

The analysis of each island is included in the subsequent paragraphs. The inventory data collected and analyzed is documented in the appendices.

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ROTA

Rota has been visited twice by staff of Pacific Planning and Design Consultants. Initially the resident planner, chief surveyor, and resident engineer visited the Island with members of the OTSP staff. A subsequent visit by the resident planner and the teams ground-water hydrologist was conducted in late February. The following sections discuss their findings and observations.

Water Resources

Presently Rota's water caves appear to provide sufficient quantities and excellent quality water. The quality available from the main cave should provide, adequate potable water for the projected population increases. More important are necessary improvements to the distribution system.

Water Distribution

Water distribution appears to be hampered by the following:

- a) Age and disrepair of present Japanese pipeline.
- b) Lack of a storage reservoir near the village.
- c) The new distribution system within Songsong village remains to be hooked up.

It should be noted that a 6 inch and 4 inch distribution system is presently emplaced, however several connections need to be made before it can be utilized. A secondary problem is that

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of laterals and hook ups. Once these problems are remedied the potable water problems should be alleviated. The community should consider construction of a storage reservoir for potable water perhaps a 10 day to 2 weeks supply for emergency use. There is also need for the installation of a new chlorinator.

Power System

Presently Rota operates two (2) 300 KW generators, full time. Peak power load is approximately 320 KW. It is anticipated that peak load will approach 550 to 600 with the hook up of the New MIC Hotel and the Teneto subdivision. Assembled but waiting the arrival of step up transformers are two (2) 200 KW generators. Once these go on line Rota's power problem should be resolved for 2 or 3 years. This should provide lead time to determine feasibility of hydroelectric power production from the main water cave or to allow the purchase and installation of a new generator.

Sewer System

Presently the entire island is on septic tanks or privy's. Although not considered the ultimate in facilities, there have been no health problems attributable to the lack of a sewer system. The installation of a sewer system will be expensive due to the hardness of the coral rock and its shallow depth. The expense of hook ups and installation of plumbing facilities

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in homes may be prohibitive as well.

Solid Waste Disposal

Although not an immediately apparent problem the removal of, and final disposal of solid waste needs to be considered. Generally, the community concentrated in Songsong Village facilitates establishment of a collection system. It is still necessary to locate a suitable for location of a sanitary landfill. There is no danger of contaminating the potable water supply by the development of a sanitary landfill. What is required, is proper site selection and determination of whether it will be a public collection system or a private system.

PUBLIC FACILITIES

Although a new administration building is necessary which would house all or most public offices, other more pressing public facility needs should take precedent.

Educational Buildings

A need to establish a new high school on Rota is a strong priority in the minds of the people. A new site some 10 hectares in size has been identified and it is hoped that a new facility can be designed and constructed so that it might be operational in 1978. Immediate improvements to the elementary and junior high facilities should also be considered. Land area available for schools is considered adequate.

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Medical Buildings

The present dispensary is in generally good conditions although several items were addressed as needing improvements. Funds were allocated in the 1978 to meet requested needs. A hospital to be relocated on the plateau above the village as was identified in the HA&E masterplan should be reconsidered. We are not certain whether present needs justify the expenditures which would be required to relocate there.

Recreation Facilities

Two small hotels presently exist and several restaurants are also located in Songsong village. Tourism to date has been limited but the completion of the MIC Hotel south of Songsong should provide an impetus for the expansion of tourist facilities.

Historic and scenic sites with which the island is abundant should be protected. At least one good recreational and swimming area should be developed either through private or public development. Consideration might also be given to the development of a good sport fishing area, once the west harbor is improved.

ACCESS AND CIRCULATION

Road System

Presently the road system consisting mostly of improved coral roads is considered inadequate. Of particular need for improve-

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ment are several miles of village road and the 10 mile stretch between the village and the airport. The road to the water cave also needs immediate attention. Other road improvement can be phased into the 7 year planning horizon.

A major concern that needs to be addressed in the village is that the density of development without adequate provision of village roads may create internal traffic problems.

Harbor Facilities

Due to damage caused by Typhoon Pamela both the west and east harbor are badly in need of improvements. Presently an A&E study is being conducted in the West Harbor. Development of a harbor facility similiar to that proposed in the HA&E 1972 study should be adequate to handle both interisland transport needs and local fishing or tourism boating needs.

Airport

A contract was recently let for A&E services to bring the Rota airport up to FAA standards for utilization by 727 aircraft. It is felt that the improvements which will be forthcoming are adequate for future air transportation needs.

LAND USES

Rota presently has a masterplan which was prepared in 1972. Although not officially adopted it has been used as a guide to planning for the island.

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Residential Lands

Generally residential lands are clustered in Songsong village or in a newly developed sub-division called Teneto which follows the coastline to the east. Residential lands are restricted to this area due to the lack of adequate infrastructure such as roads, power and water facilities elsewhere.

The Mariana Islands Housing Authority is proposing plans for the development of a low cost housing sub-division on lands immediately south of the proposed high school site. With the possible exception of potential traffic congestion problems the location is not considered to be bad. Its location near to present infrastructure will minimize development costs.

Commercial Uses

Generally, it is expected that the commercial facilities will remain small and may well continue as "mom and pop" stores.

The only significant new tourist facility under development is the MIC hotel.

Industrial Needs

Rota is not expected to harbor significant industrial development. The present harbor area should provide adequate industrial sites for any harbor related or fishing related activities.

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It may be necessary to provide additional industrial area for construction activities. Most likely these would locate in the vicinity of the west harbor or along the airport to village road.

Agriculture and Open Space

Rota has an abundance of public land and perhaps contains the prime agricultural lands of all the Marianas including Guam. The Sabana (approximately 3 square miles) is adequate to meet all future agricultural land needs although it will be necessary to develop criteria and regulations for use. Both truck crops and grazing lands could be mixed in the Sabana region with no apparent danger to the present water supply.

Grazing lands on the lower plateaus appear to be suffering from poor management. There have been some requests for the development of an irrigation reservoir however present water production from the caves makes it appear unlikely that a massive storage reservoir as would be required to provide irrigation water for the dry season is feasible.

The possibility should be explored to develop ground water resources on the Sabana which would provide irrigation waters for truck crops and possible cattle grazing during the dry season.

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Scenic agricultural lands, landscapes and open space are abundant and only require identification and limited degrees of protection.

TINIAN

As mentioned in the introduction Tinian provides a challenging planning problem as almost 2/3's of the island is to be controlled by the military. Implications of military utilization and occupation of Tinian will be addressed in the appropriate sections of the preliminary analysis.

Water System

Presently Tinian has both a potable water system and an irrigation system. The potable water system presently produces a monthly average of approximately 10,200,000 gallons. With its population of less than 1000, available water per capita averages in excess of 270 gallons per day. Areas of particular concern are the establishment of a larger reservoir system for potable water as present storage capacity is slightly over 100,000 gallons. Leakage or faulty connections would appear to be a major source of water loss based on the knowledge of present water pumpage rates.

The present chlorination system is considered less than adequate and should be relocated to the reservoir or storage site when it is constructed.

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Since the Marpo Maui wells are the major source of water supply it is quite likely that the military will also want to utilize this source in the future.

Power System

Presently Tinian operates two (2) 300 KW generators continuously. Peak load during 1976 was 345 KW. Both generators were installed in 1971 and neither has had a major overhaul.

Generally, it is considered desirable that power be provided to the new agriculture homestead areas in Marpo valley. In the 1978 budget they requested and received funds for the purchase and installation of one 500 KW generator. This should provide sufficient power for several years unless increased military activity occurs and they opt to purchase power from the village. The power distribution system information is presently being analyzed by the power consultants.

Sewer System

No sewer system exists on Tinian.

Solid Waste Disposal

No inventory presently taken.

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PUBLIC FACILITIES

The 1978 budget includes 10,000 dollars for the Architecture and Engineering design for an administrative building. The present relationship of administration offices and the dispensary is considered inadequate. There is also a desire to construct a community library.

Educational Facilities

Presently, classes on Tinian are conducted through the 9th grade. The policy has been to add 2 classrooms every two years and retain another high school class on the island. Present school site is 24 acres and should, with proper site design, provide adequate space for all three schools elementary, junior high school, and senior high school. Proper siting of school facilities should begin this year with the construction of the home economics room and the two additional classrooms.

Medical Building

The present dispensary should either be relocated to a new location or at least temporarily Administrative offices should be located elsewhere. Present expenditures in 1978 are only for equipment and expendable items and were not bought with thoughts of moving to a new facility. Size and need of a new facility should be discussed with health planners.

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Recreation Facilities

Facilities include a ball field, and basketball and volleyball courts. Several nice sites exist for passive recreation include Taga beach and park.

Many of the historic sites are presently inaccessible and many are on military retention lands. Access and proper identification of these sites should be secured in cooperation with the military.

ACCESS AND CIRCULATION

Road System

Tinian was criss-crossed with roads near the end of World War II. Maintenance has been minimal and the need of overlays and increased maintenance activity is necessary. A road should be improved into the Marpo valley area. Several village roads also need paving.

Harbor Facilities

Tinian has only one harbor which the military constructed inside the barrier reef. The breakwater is 3,600 feet long, 18 feet wide and 15 feet above sea level. The channel and dock areas have been dredged to about 30 feet. At present the docks have suffered significant damage and the pile driven sheet metal dock sides have rusted out. Significant portions of the dock have been undercut and are presently collapsing.

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The breakwater has been severely damaged and sections have been destroyed by storm action.

Airports

The military constructed two major airfields during world war II. The northern airfield has been abandoned since the second world war and never has been reactivated.

The present airfield used for commercial traffic lies in military retention lands in the west central part of the island. It has two 8,500 foot airstrips with taxi ways and service areas. One runway has been overgrown and only one runway remains useable.

LAND USES

Residential

San Jose Village is the only village on Tinian and most of the 900 + population resides within the village. There were 158 houses identified as being served by the present water system. Most public facilities are located within the village proper.

Agricultural Homestead Lands

Recently the government surveyed 187 agricultural homestead lots of 2½ hectares each located in the Marpo valley area. 165 of these have been homesteaded, however no deeding over of property

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has yet occurred.

The government of the Northern Marianas must also equitably resolve the ownership problems of some 41 private parcels of land presently situated in the Military retention lands.

Micronesian Development Corporation is leasing upwards of 6,000 acres of land for its Tinian Bar K ranch. Some of these lands are also located in military retention lands. There are 13 years remaining on the present lease agreement.

The Mariana Islands Housing Authority is requesting land for the development of a low cost subdivision.

Agricultural Land

Some 72 acres is presently in public ownership in Marpo valley. These lands have an irrigation system installed. The agriculturalist would also like to expand the present 72 acres of irrigated farmland.