

L8-5/wch
Ser 322
10 Mar 1954

From: Naval Administrator, U.S. Naval Administration Unit, Saipan
District, Saipan, M. I.
To: Commander in Chief, U.S. Pacific Fleet
Via: Commander Naval Forces Marianas

Subj: KANYO MARU: request for

Ref: (a) CINCPACFLT ltr L8-5 ser 5621 of 18 Aug 1953

Encl: (1) Micronesia Metal and Equipment Co., Inc., ltr of Feb 24, 1954

1. Enclosure (1) is forwarded for appropriate action.
2. Subject vessel was included in the list of ships previously requested by the company for which reference (a) denied approval.
3. Subject vessel was badly holed during the war and is now stranded inside the Saipan harbor between the barrier reef and the entrance channel. In its present location it does not menace navigation but it is quite possible that high water or a small tidal wave could shift it from its present position to a place near or in the regular channel.
4. It is recommended that the request made in enclosure (1) be favorably considered. However, it is not felt that the present contract allows enough protection to the government in case the contractor, by accident or negligence, were to foul the channel during the operation. If approved it is recommended that a special agreement be entered into between the government and the contractor to afford adequate protection to the government in case of mishap or performance failure by the contractor.

/s/ R. D. LAW JR

C O P Y

MICRONESIA METAL & EQUIPMENT CO., INC.

SAIPAN, M.I. TRUST TERRITORY OF THE PACIFIC
ISLANDS CABLES: MICRO-Saipan

P.O. Box 1077
Agana, Guam, M.I.
February 24, 1954

NAVAD
Saipan District
Saipan, M. I.

Re: Japanese Ship Hulk
KANYO MARU
Saipan Harbor Area

Sir:

It is requested that a bill of sale be issued on the above Japanese Ship Hulk to enable us to break her up for the scrap metal content. Besides the royalties you would receive under the terms of Contract TT 17 as amended, and renewed, we feel that an additional benefit would result to all parties in the removal of what might become a menace to navigation in the Saipan Harbor.

Yours truly
MICRONESIA METAL & EQUIPMENT CO., INC.

/s/ E. E. Baggerly

E. E. Baggerly, General Manager

EEB:db

C O P Y

Q
CINCPACFLT FILE
FF1-1
L4-3
Ser 649
5 FEB 1954

From: Commander in Chief U. S. Pacific Fleet
To: High Commissioner of the Trust Territory of the Pacific Islands

Subj: Contract T.T. 17, as amended, with Micronesia Metal and Equipment Company

1. By Contract No. T.T. 17B dated 13 August 1953, the termination date of basic Contract No. T.T. 17 with the Micronesia Metal and Equipment Company has been extended by the High Commissioner until 30 November 1954. Contract No. T.T. 17 applies to the Palau, Saipan and Yap Districts of the Trust Territory of the Pacific Islands.

2. Inasmuch as the civil administration of the Saipan District of the Trust Territory of the Pacific Islands has by executive order been assigned to the Department of the Navy, it is requested that this headquarters be consulted with regard to any possible future extension, cancellation or modification of Contract No. T.T. 17, as amended, so far as such action may affect the Saipan District. Your cooperation in this matter is appreciated.

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3. In connection with scrap collection in the Saipan District, Commander in Chief U. S. Pacific Fleet does not now contemplate extension of the existing agreement beyond 30 November 1954. The contractor is being requested to exert effort to complete his operations in the Saipan District by that time.

/s/ H. G. HOPWOOD
H. G. HOPWOOD
Chief of Staff

Received 2/4/55

Scrap - Termination

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