

***The Recovery of Tiyan
The Closure and Consolidation
of NAS, Agana, for the Benefit
of Guam and the United States***

***Bureau of Planning
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DRAFT



The Recovery of Tiyan

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EXECUTIVE SUMMARY

Unlike other cities and states that have highway, rail, shipping and air transportation modes that support their economy, Guam's livelihood relies on air and sea transportation. And while the shipping industry is large, the vast majority of transportation activities is in direct support of the tourism industry that arrives by air.

On a small island like Guam (212 square miles), real estate is scarce. Even scarcer is land suitable for new airport development. Accordingly, the political pressures of environmental issues, land-use concerns and private landownership practically precludes any major new airport development. On Guam, this is particularly true since the federal government already supports two large underutilized military airports.

The Congress recognized the need for the Department of Defense (DOD) to share some of their facilities with civil aviation by providing, through past Congressional action, for DOD to make military airports available for civil use to the maximum extent feasible. Since 1972, Guam has jointly used the runway and taxiway facilities at the Naval Air Station, Agana. Guam has also constructed approximately \$100 million of terminal and apron facilities to support its burgeoning tourism market. **Over the past decade, Guam's economic future and reliance has shifted from a military-based economy to a tourism-based economy.**

During the past 16 years, Guam has enjoyed a good relationship with the U. S. Navy and each has prospered under the existing Joint Use Agreement (JUA). However, for the purpose of providing for further economical use of airspace, land, facilities and other resources, we must resolve the many issues that surrounds the proper use of land currently set aside for airport use on Guam, be it military or civil.

To this end, Guam has initiated two requests with the U. S. Navy.

The Relocation of NAS Agana and turnover to the Government of Guam of the former Naval Air Station for effective civil as well as military long-term airport use. NAS has been reduced to nearly a caretaker status, and today there are no aircraft assigned to Andersen AFB just 12 miles away. By comparison, commercial airline traffic in and out of Guam has increased many fold in the last 20 years. The Guam airport has developed into a regional aviation hub, but it is land poor. **A 1991 GAO report concluded that consolidation of Guam's two military air facilities at Andersen was feasible and both the Navy and the Air Force agreed.**

The first section of this briefing, comprising the theme "Recovery of Tiyan" presents a historic, economic and proposed long-term land-use of the area known to Chamorros as Tiyan. It articulates a compelling argument for the relocation of NAS Agana and turnover of the land to the Government of Guam.

The Immediate Transfer of 125 Acres for the operational needs of civil aviation. The Governor has officially requested a land transfer of four parcels of unused or poorly used federal property on the Naval Air Station. This no-cost request would support the development of aircraft parking areas, taxiways and much needed aircraft maintenance facilities.

The final section of this brief presentation is entitled "**The Immediate Transfer of 125 Acres.**" It recaps the status of ongoing discussions between the Government of Guam and the U.S. Navy, and the progress made recently.



History

HISTORY

The indigenous people of Guam and the Mariana Islands, the Chamorro people, have lived in these islands for more than three thousand years. At the time of western contact in 1521, they were a numerous and prosperous people, numbering in excess of 100,000. They were generally healthy and long-lived by European standards, living on a high protein diet that would have been the envy of most westerners.

In the mid-Seventeenth Century, the Spanish established a permanent colony in Guam. The indigenous population resisted, led by Patriot Chieftains such as Hurao and Yura. After decades of struggle, resistance ended, but only after 90% of the indigenous population had been killed, either by warfare, outright massacre, or the introduction of diseases unknown to them, such as smallpox.

Originally used as a port for the supply of Spanish galleons plying routes between Mexico and the Philippines, Guam fell into disuse as the Spanish Empire slowly collapsed and withdrew from world affairs. By the time of the Spanish-American War in 1898, Guam had no strategic value to the Spanish and was essentially undefended.

Guam was a prize of war for the victorious United States under the terms of the Treaty of Paris. Guam was taken because of its natural harbor and American desires to establish a coaling station to support the growing U.S. Navy Fleet. Despite an aborted attempt by the Chamorros to establish their own government under the native-born Don Joaquin Perez, the Gobernadorcillo of Agana, the Chamorros and their land were placed under the administration of the U.S. Department of the Navy by Presidential Order. For the next fifty years, government for the people of Guam consisted of the decrees of a U.S. Navy Captain.

Guam's military value diminished in pre-World War II days as the Navy shifted from coal-fired to oil-fired ships. In 1938, Congress declined to fortify Guam against potential attack. The military presence in Guam, although pervasive and all-powerful, was small.

In 1941, Guam was invaded by -- and promptly fell to -- the military forces of Japan. The Japanese occupied Guam until the summer of 1944. During the occupation they introduced large-scale military construction to Guam, building the Orote Airstrip (currently unused) and an airstrip at Tiyan (currently NAS). The fields were built with forced labor.

In 1944, U.S. forces recaptured Guam and assumed control of the entire island. The native population was placed in hastily constructed villages, while the bulk of the island's area was conscripted for military use. In addition to upgrading the Orote and Tiyan airfields, the U.S. built airfields in Tamuning (Harmon) and eventually two airfields in the extreme north of Guam, Northwest Field and Andersen Air Force Base.

Widespread condemnation of private property led to a massive military presence in post-war Guam. Eventually, federal ownership was stabilized to a constant possession of about one-third of the island. The town of Sumay was condemned, and the population relocated. Military installations in Guam multiplied, as Guam became a strategic forward deployment base for both the Air Force and the Navy.

Although the Organic Act of 1950 established a local legislature, all of its actions may to this very day be overruled by Congressional action. The Governor of Guam was a Presidential appointee until 1970. The U.S. Navy maintained a security clearance requirement for all travellers to Guam until 1962.

Guam's strategic role throughout the fifties, sixties and early seventies was underscored by its role in supporting two legs of the American nuclear triad. Guam was a support base for Polaris and Poseidon nuclear submarines, and it was the home of a squadron of B-52 strategic bombers capable of both nuclear and conventional roles.

Although there has been no concomitant reduction in the amount of property occupied by the military, there has been a marked reduction of Guam's strategic role since the end of the Vietnam War. Trident submarines with longer range missiles have obviated Guam's role in submarine support. The B-52s have been withdrawn from Andersen. Guam has become essentially a communications and logistics base. This new role does not require the possession of one third of Guam's land area.

Moreover, Guam's people have, in the last decade, established a true and viable private economy which is divorced from the presence or absence of military installations in Guam. The primary economy of Guam today is based on tourism. Hotel rooms are being built at a rapid pace. Golf courses are being built in the north and south. In just a couple of years, Guam will receive a million tourists annually.

The Government of Guam has become practically self-sufficient, assuming the bulk of its operational burden and funding an overwhelming percentage of its infrastructure improvement costs.

This is the reality of the situation we face today. The military, once the linchpin of Guam's economy, is in some ways becoming a constraint. It is a constraint that can be much eased through the return of underutilized lands and installations held by the military. It is a burden that can be eased by the more efficient use of military property in Guam through consolidation of the Navy and Air Force air operations at Anderson Air Force Base.

As we enter this decade, Guam stands on the threshold of the greatest economic growth ever experienced on a per capita basis, by any city, state or territory in U.S. history. An essential ingredient for economic growth is superior transportation facilities. Guam is almost totally dependent on air transportation. As such, the Guam International Airport is the lifeblood of the Island's developing economy and will play an even larger role as Guam pursues its aspirations to achieve a quality of life for its citizenry that is comparable to that of the US.

In contrast to the dwindling military aviation mission in Guam, civil aviation needs are increasing so rapidly that major efforts are required to accommodate them. The International Civil Aviation Organization's (ICAO) 1985-1995 Asia-Pacific region forecast for Guam is a 9.5% growth, the highest in the world. In contrast, the 1985-1995 world average annual growth rate for international passenger traffic is 6.5%. The Guam International Airport statistics shows an astounding 17.35% average annual increase in passenger movements from 1985-1990. These facts clearly indicate that tremendous expansion must take place if the Island is to keep abreast with change.

A recent passenger forecast for Guam projects annual passengers movements increasing from 1.8 million in 1989 to 3.4 million in 1995 and to 3.9 million by 2000. An independent forecast prepared by ICAO supports the foregoing forecast. To accommodate these passengers, the design to enlarge the present passenger terminal three-fold and add additional aircraft parking aprons began late in 1991. Construction cost estimates are \$236.5 million.

The 1989 GIAT Master Plan Update came to three conclusions regarding the future development of aviation in Guam:

1. For the next five years, Guam can expect a sharp increase in visitors, followed by a steady growth of tourism for fifteen years thereafter. Almost all visitors will be transported by air.
2. A substantial increase in size of the passenger terminal at GIAT will be required to accommodate these visitors and support

Guam's burgeoning tourism industry. Other facilities on the airport will grow in size and degree of sophistication to match this increasing visitor demand.

3. The Guam Airport Authority (GAA) does not possess enough land at the airport to meet these development demands in either the short or long term.

While the planned expansion will deal primarily with accommodating passenger needs, the master plan identifies numerous other terminal support facilities and aviation functions that require commensurate expansion activities. Available data further indicate Guam could significantly expand its economic base if suitable airport and support facilities were available. Guam Airport Authority could not fully develop these potential operations due solely to land availability constraints. The only suitable sites available to satisfy the land requirements for these facilities and services are on federal property known as the Naval Air Station Agana.



The Need for Tiyan

STATUS OF MILITARY & CIVIL AIR OPERATIONS AT NAS AGANA

MILITARY OPERATIONS

NAS Agana is situated on a 2,340 acre parcel in the heart of the Island. Its mission is to maintain and operate facilities required to provide services and material support for transiting aircraft and tenants. Major tenants include VQ-1 and VQ-5, which provide fleet electronic reconnaissance, and HC-5, which is a helicopter squadron used for combat resupply and search & rescue operations. There are approximately 22 aircraft assigned to NAS Agana, including twelve H-46 helicopters, two ES-3 Vikings and eight EP-3 Orions. An additional six ES-3s are expected in the 1992-93 timeframe.

Over the years, naval air operations at NAS Agana have declined to near caretaker status. A July 1989 Aircraft Noise Study for NAS Agana commissioned by the Navy revealed an increase of 3% per year between 1970 and 1988 in military aircraft operations. A more dramatic sign was notable: in the period between 1986 and 1989, there was an 8% decrease in military operations at NAS Agana.

In that same study, civilian operations (air carrier and general aviation) registered a 35% increase; air carrier operations increased by 29% and general aviation operations rose 42%.

But the figures on military operations are still misleading in that they include training (touch & go) patterns and helicopter operations. In evaluating the same 1989 study, it was deduced that actual military operations averaged four per day for fixed-wing aircraft. This average was reached by initially eliminating training patterns, which overstate the extent of military operations for NAS Agana, and by removing all H-46 helicopter operations, which do not require the use of runways and represent 73 operations per day inclusive of 66 training patterns. By comparison, civilian air carriers, which constitute 52 operations per day (all by fixed wing aircraft), exceed the military's four operations per day average by a substantial margin.

The decline in need for NAS Agana is also seen in the Navy Department's struggle to keep it open. Navy officials have suggested recently a closure of the field for eight hours of the day. It is believed that civilian authorities would be asked to shoulder totally the expenses of

keeping NAS open during this period. This indicates a diminished need for an already underutilized air station and a growing difficulty in funding operations and maintenance expenses.

CIVIL OPERATIONS

Statistics provided by the Federal Aviation Administration show an increase in all categories of air transportation demand. Annual commercial aircraft operations averaged about 17,200 movements between 1982 and 1992. More recently, with Continental-Air Micronesia using GIAT as its airline hub in this region, not to mention scheduled flights operated by Northwest, All Nippon Airways, Japan Airlines and others, we experienced over 23,500 movements in 1991. Moreover, Korean Air Lines and Philippine Airlines, and just recently Thai Airlines, joined the family of international air carriers operating regular flights to and from Guam. With the addition of these three airlines and continued growth from our older partners, we forecast nearly 30,000 movements in 1995. With respect to cargo operations, movement has increased from 13,233 metric tons in 1987 to 29,657 metric tons in 1991.

In summary, it has become clear to both the military and civilian community on Guam that military operations at NAS are declining, and will continue to decline, but civilian commercial air traffic is experiencing unprecedented growth that show every sign of continuing to increase as Guam grows as a major tourist and business destination in the Pacific.

PROPOSED GAA USES OF NAS AGANA

To accommodate these forecasts, the existing airport terminal must nearly triple in size and the terminal related gates/aprons will increase from six (existing) to 17. These increases will exhaust all of the suitable portions of GAA's 170 acre property. There are numerous other terminal support facilities and non-terminal functions that will require commensurate increases. These facilities require either apron space or locations adjacent to aprons. In that GAA already has fully developed plans for its available land, the only suitable sites are located on federal property within NAS Agana.

The transfer of NAS Agana to the Government of Guam would facilitate immediate and long-term needs for terminal and airport/aviation related operations. The GAA estimates that apron space for aircraft/support functions will increase dramatically over the twenty year planning period. Plans project apron spaces for B-747 parking; air carrier based aircraft; commuter/air taxi; general aviation aircraft; helicopters; and aircraft parking for overhaul and flight training facility. Apron related structures are also necessary to correct current deficiencies.

Support structure requirements comprise of air cargo staging; ground support equipment maintenance facility; maintenance hangar; commuter/air taxi, helicopter and general aviation maintenance hangar; a commuter air terminal to support general aviation and helicopter operations; and a GAA Base Maintenance facility centralizing GAA's maintenance facility to accomplish all attendant requirements.

In addition, the airport runways lack parallel taxiways; presently, one of the runways is used for a taxiway. With increased air carrier and commuter airlines movements forecasted, the lack of a taxiway greatly reduces the runway's capacity, increases taxi time (and associated costs), and could jeopardize aviation safety. While the Authority has been forced by circumstances to forego this improvement for the near future, the addition of a new parallel taxiway remains one of our highest priorities after the relocation of the Navy to Andersen and the complete acquisition of the Naval Air Station.

Guam is strategically located in the Pacific Rim. Economists predict the area as the next world industrial center. Guam could potentially serve the Pacific Rim as a regional center for a variety of aviation-related activities. Because of the Island's proximity to the Rim countries, Micronesia, the South Pacific and the gateway to the United States, regional

activities such as an overhaul facility for commercial and military aircraft; a flight training center; express air handling; and air cargo hubbing, lend themselves very appropriately to the types of economic opportunity that maximize Guam's unique geographic location.

Approximately 1615 acres of the 2340 acre NAS parcel have been identified for the activities discussed earlier. The siting of these facilities, as depicted in the following pages are for Terminal Support Facilities (TSF) and Airport/Aviation Related Operations (ARO).

Northside facilities proposed are as follows:

- Expansion of apron spaces (TSF)
- Parallel taxiway along Runway 6L-24R (TSF)
- Relocated belly cargo facility (TSF)
- Ground support equipment storage facilities (TSF)
- GAA tenant office facilities (ARO)

Southside facilities would include:

- Based Carrier Maintenance Facility (ARO)
- Parallel Taxiway along Runway 6R-24L (TSF)
- Commuter Aircraft Apron & Maintenance Facility
- All Cargo Hub Facility (ARO)
- Regional Aircraft Overhaul Facility (ARO)
- Regional Flight Training Facility (ARO)
- General Aviation Facilities (ARO)
- GAA Ground Lease Area (ARO)

The GAA Ground Lease Area is projected to be available to the year 2015. By then, congestion of passenger service and terminal operations facilities are expected to approach its peak. Encompassing approximately 200 acres, the GAA Ground Lease Area will be the future relocation site of GAA Terminal Facilities.

OTHER USES

A NEW NORTH-SOUTH PARKWAY

Guam has an estimated 90,000 motor vehicles operating on its roads. Because of the population distribution and the placement of business centers, most of this traffic travels on either Route One or Route

Eight. Both routes have been expanded to their full capacity. Still there is massive traffic congestion on both routes at peak times, and we are concerned that the anticipated continued economic expansion and population growth, on the island will place even greater burdens on Guam's road network.

The best solution lies in building a new North-South highway to relieve congestion. The Government of Guam proposes building a six lane parkway through what is currently NAS property that will allow for a by-pass of Routes One and Eight. Overpasses and cloverleafs will be built on GovGuam property at each end.

PARKS AND RECREATION

The NAS cliffside contains some of the best views in Guam. GovGuam proposes the construction of a cliff-hanging park for the edification of all of Guam's residents. This park will include nature trails, hiking and bike paths.

The Government also plans on building both botanical and zoological gardens for public use in an area of NAS that is currently used for very limited purposes. Guam has no such public facilities at present. Additional park areas will be used for a variety of public purposes, including workshops and public education programs.

HOUSING

Due to the tremendous increase in the price of land in the Territory of Guam, many local families are unable to afford decent housing, despite having multiple household incomes. The Government of Guam is engaged in plans to build affordable housing for low and middle income families in several locations around the island. One proposed location is located at the extreme southwestern end of the NAS facility.

THE IMMEDIATE TRANSFER OF 125 ACRES

BACKGROUND

In January 1989, Governor Joseph F. Ada wrote to the Navy requesting that Brewer Field (NAS Agana) be turned over fully to the Government and people of Guam. Brewer Field was designed and constructed by the Japanese immediately after their invasion in 1941, but it was built using the forced labor of the citizens of Guam. After the recapture of Guam, the United States Government expanded the airfield and then built additional airfields on the north end of the island. After the war, and after the United States granted Guamanians U.S. citizenship, the U.S. Government formally "condemned" these bases and other lands on the island. Brewer field became known as Naval Air Station Agana and the field in the north as Anderson Air Force Base. Today, these two airfields, along with the other military installations and reservations still on Guam, constitute almost one-third the island's land area.

For years, these two airfields had critical military missions: they helped end the war with Japan; they served as a U.S. outpost in the Pacific during the years of economic recovery around the Pacific rim after World War II; they were critical to the support of U.S. operations during the Korean War and in Vietnam; and they served as essential elements in the strategic defense of the United States during the Cold War. The peak of their military importance probably occurred during the Vietnam War when the Naval Station on Guam was still supporting the submarine leg of the Strategic Triad, the Naval Air Station Agana was supporting U.S. aircraft carrier operations in the Tonkin Gulf, and Anderson AFB was supporting 150 B-52s, as well as their aerial refueling tankers and all the support personnel needed to keep them going.

Today, however, the Vietnam War has been over for more than a decade, and more importantly, the Cold War has ended. The Soviet Union has broken into several feuding independent states, and the New World Order seems to be settling down into an era of smaller, regional crises. The major issues facing the American people now is a new President, a sluggish national economy within a recessional world economy, and a dramatically shrinking military.

As a result of these overwhelming world events, there are currently no operational U.S. Air Force aircraft stationed at Anderson, and it remains relatively underutilized in its current capacity as an emergency deployment

and contingency supply depot. Indeed, when the decision was made to remove U.S. forces from the Philippines, the U.S. Navy aircraft from VRC-50 at NAS Cubi Point were moved to Anderson rather than NAS Agana. The Navy is now sharing the Air Force facilities at Anderson, and additional facilities are being constructed to accommodate the long term needs of these Navy cargo aircraft that support the aircraft carrier force throughout the Pacific Ocean.

The Naval Air Station today does still have operational squadrons stationed there, but in diminished numbers. Today it supports a dozen or so helicopters from HC-5 that service the support ships stationed at the Naval Station. These ships deploy out of area on a regular basis, so there are rarely more than six of these aircraft operating from the station at one time. NAS Agana also supports another dozen or so electronic reconnaissance aircraft that roam the Pacific on their lonely, classified, but non-combat missions. Because of their deployments, there are usually less than half of these aircraft at their home base.

There is no military reason why these missions can not be flown and supported exclusively from Anderson AFB alone, and the Navy, Air Force and Department of Defense agree. NAS Agana is a far better field militarily than Brewer Field, and it is removed from the growth and population centers of the island. That the Department of Defense decided to relocate VRC-50 to Anderson stands as testimony to their realization of these factors and the inevitability that for military, economic, and cultural reasons, it is time to return this base to the citizens of Guam who built it with the sweat of their forced labor.

IMMEDIATE ECONOMIC NEEDS

As is obvious to those who have travelled in the Pacific Rim recently, the economic forces at work in the region have not diminished as the military presence here on Guam has been reduced. Indeed, over the last twenty years commercial airline traffic in and out of Guam has increased many fold. In the last five years alone it has increased over two and a half times. In 1980, Guam had roughly 2300 hotel rooms and an occupancy rate of about 79%. By 1989, there were about 4,200 hotel rooms with an occupancy rate of almost 90%. Today, Guam has about 6,400 hotel rooms in existence, with an additional 2,200 rooms under construction. To add to this, the Government of Guam has approved the construction of another 3,800 rooms. Consequently, Guam could easily have over 10,000 hotel rooms within the next five to ten years.

Thus, while still desiring and working for the complete transfer of the Naval Air Station, the people of Guam have an immediate need to effectuate the transfer of four small and underutilized parcels of land from the Naval Air Station to the Guam Airport Authority. These parcels total about 125 acres in area and will allow for the immediate expansion of the civil air facilities on Guam to a size that will handle the growing influx to the island of tourists and business. Specifically, we are in the process of producing construction plans and selling bonds for the expansion of the international airport on its existing site and the development of a site for a civil aircraft maintenance facility. These four parcels are needed to accommodate these plans.

With a letter to then Secretary of the Navy H. Lawrence Garret in April 1991, the Governor informally requested the transfer of the four parcels and initiated direct negotiations with the Navy prior to making a formal request, as allowed by law, through the administrator of the Federal Aviation Administration. Briefly the parcels requested are as follows:

Parcel A: an area to the west of the terminal and north of the runways for aircraft and support equipment parking.

Parcel B: an area south of the current terminal for improving taxiways to permit more efficient aircraft movement.

Parcel C: an area to the east of the current terminal for the construction of aircraft parking aprons and associated taxiways.

Parcel D: an area to the south of the runways and west of the existing Navy facilities for the construction of a civil aircraft maintenance facility.

STATUS OF NEGOTIATIONS

Representatives of the Government of Guam (GovGuam) and the Commanding Officer of the Naval Air Station have participated in over three rounds of negotiations concerning the transfer of the parcels. The CO, NAS Agana, was designated as the negotiator by the Commander, Naval Forces Marianas, who himself was designated as the representative of the Secretary of the Navy. There have also been several other formal and informal communications between both sides, especially in the last six months, that have produced significant progress on the status of all four parcels.

Parcels B and C - The Northeast Ramp Area: The Navy has agreed to the transfer of both parcels. An issue involving safety criteria was resolved favorably thanks to the attention paid to the matter by the CO, NAS Agana, and the staff of the Commander, Naval Forces Marianas. Additionally, the Authority has received Guam Environmental Protection Agency approval of the required environmental assessment and is in the process of preparing its land transfer application under Federal Aviation Regulation (FAR) Part 154.

Parcel A - The North Ramp. The Navy and GAA recently compromised on an area on the North Ramp that will accommodate all of the immediate needs of the Authority. There were concerns about "Quality of Life" issues in the Enlisted Housing Area next to the runway, but these have been resolved tentatively with the promise by the Authority to build sound attenuating devices in accordance with recommendations that will be made during the Environmental Assessment process. Moreover, the Authority intends to slope the ramp in such a way that the safety of the housing area will be improved, and the need for, and cost of, sound attenuating devices will probably be less severe.

The CO, NAS Agana, has resubmitted a request to the Commander, Naval Air Systems Command to waive certain military airfield safety criteria to allow for the parking of particular civil aircraft types. These planned parking arrangements do not violate civil airfield safety criteria, but until we achieve the complete transfer of the airfield to GovGuam, we must abide by military rules. That request has been forwarded with a recommendation for approval and is currently awaiting action in the office of the Commander, Naval Air Forces, Pacific.

Parcel D - The Maintenance Hangar Parcel: Until very recently, the real problem in our negotiations was our need to find a place to build a maintenance hangar, and this part of the negotiations was at a standstill. Currently, all maintenance performed on civil aircraft while they are on island is performed in the open air.

The Authority would have preferred to build a maintenance and cargo facility on the "civilian side" of the runways, but there is little or no extra land on that side of the field. Moreover, the land that is just outside the current air terminal operations area (AOA) is occupied by Navy Enlisted Housing, recently renovated, and both parties agree that it would take hundreds of thousands of dollars to replace each unit.

Guam's suggested solution was to request the transfer of Parcel D, a piece of unused land on the "Navy" side of the runways. We chose this parcel because it can accommodate the hangar and ramp areas we need for our maintenance operations, and it has been largely unused since it was cleared and leveled by the Japanese occupation forces with Guamanian labor.

Initially, the Navy was adamant that GAA could not consider the use of this parcel, and they offered other solutions that involved the expensive demolition and replacement of Navy housing on the GAA side of the field. The Authority examined these options and was forced to reject them because of the costs. The Navy and the Authority appeared to be at an impasse.

Recently, however, with the arrival of new Navy leadership at the Naval Air Station and Naval Forces, Marianas, the impasse was broken. The new leadership agreed with GAA that the need for a maintenance parcel seemed reasonable and rational, and that the requested Parcel D seemed to be a logical choice. The only obstacle they saw was environmental remediation of known former dump sites, but they were willing to work closely with the Authority to solve these problems.

CURRENT STATUS OF NEGOTIATIONS

Alternative Parcel D - The New Maintenance Hangar Parcel. In early November 1992, the Navy wrote the Governor with a real and substantial break through in the negotiations for a Maintenance Hangar parcel. While the Navy had agreed to allow us to work with them for the transfer of the original Parcel D, it became obvious to them that the time involved in assessing the extent of the environmental problems on the site and correcting them were too great. In exchange, they asked us to consider the transfer (or lease) of a 75 acre parcel in the southeast sector of the airfield.

This parcel, Alternative Parcel D, completely fulfills our needs. Indeed, it goes beyond our current needs and allows us to consider potential future expansion needs without having to seek additional property.

The Authority had looked briefly at this area of the field, but we had rejected it because it was encumbered by Explosive Safety Arcs from ammunition storage facilities in and around the area. In conscientiously working to assist us, the Navy went beyond these original limits in

cooperating with us. They looked at the new area, saw the problems we had seen, but then they went beyond where we could go and decided to examine moving the remaining ordnance up to the magazine area on Anderson AFB. They also examined the area for potential environmental problems, and they assess that there are none. Consequently, they have presented us with an option that fits our needs better than any of the other options we could imagine.

We will now initiate a formal environmental assessment and begin the paperwork that will lead to a formal request by us to the FAA, via the Navy, using the FAR 154 procedures. We have every confidence now that this request will be approved, and in the relatively near future we will be able to begin to construct a maintenance hangar and fulfill the last of our immediate expansion needs.

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December 1992