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 BOX No. 1228, "ERDA #3"
810-MED, DR. CONRAD
 FOLDER 01 THRU 12/1968

March 28, 1968

HOA:WKS-500

Mr. Donald R. Tindal
 Acting Attorney General
 U. S. Department of Interior
 Trust Territory of the Pacific Islands
 Saipan, Mariana Islands 96950

BEST COPY AVAILABLE

Subject: LEASE AGREEMENTS FOR THE UTIRIK AND RONGELAP SITES

Dear Mr. Tindal:

As indicated in my letter to you dated March 13, 1968, we have discussed the points raised in your letter to me dated February 21, 1968 with Dr. Conrad as well as the draft of the agreement covering the lease of the Rongelap site which you enclosed. The following comments are offered:

1. The wording of the draft is acceptable as written; however, it is suggested that if possible, the description in paragraph 1 be better defined to show the location and approximate size of the parcel of land. It is our understanding that the areas on Rongelap and Utirik which we are now using, comprise just a little less than one acre each. For the purposes of a lease agreement and to compute rental payment, it is acceptable to us to base the amount payable on a unit of one acre of land for each area on Rongelap and Utirik.
2. In connection with paragraph 2, previous land rentals paid for these areas on Rongelap and Utirik by the Defense Atomic Support Agency were \$75.00 each per year. Therefore, it is hoped you will be able to negotiate a rental not to exceed \$100.00 per acre per year for each site or \$200.00 per year total for both sites.

OFFICE ▶	A & T	A&T	A & T	A&T	MANAGER
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- 3. Your letter indicates that an indefinite term for the lease is not acceptable and in lieu thereof, suggests a term of 25 years. Your letter also indicates that the owners feel the improvements should become their property at termination of the lease. A term of 25 years for the lease period is acceptable. With respect to disposition of the improvements, we feel the wording in paragraph 3 of the draft lease is sufficient to meet the AEC requirements and will allow removal of the improvements at any time prior to termination of the agreement. After termination we have no objection to the improvements becoming the property of the owners.
- 4. With respect to paragraph 4 (Termination Notice) and because the location of the sites is very distant from the areas of administration, it would be most helpful if you could negotiate a written termination notice period of 180 days instead of 120 days.

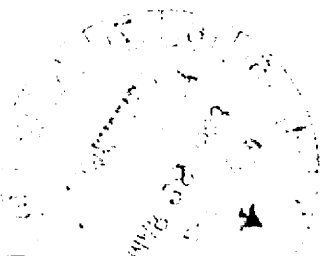
Hopefully these comments will be of benefit to you and will assist you in finalizing leases which will allow the AEC to continue to use the subject sites. When the leases are completed, we would appreciate your providing this office with copies of the same. Your continued cooperation in this matter is most appreciated.

Very truly yours,

ORIGINAL SIGNED BY
WILLIAM A. BONNET

William A. Bonnet
Manager

cc: District Administrator, Marshall Islands
Dr. J. R. Totter, Div. of Biology & Medicine, Wash., D.C.
Dr. R. A. Conard, Brookhaven Laboratory, Upton, New York
James E. Reeves, NV



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