

BUREAU OF PUBLIC ROADS

Alaska

gm

Messrs. Kruser, Martin, Fincher, Olmert  
and Hansen

November 5, 1959

J. C. Allen

24-00

Project Examination - Alaska

Attached is a copy of my memorandum to Mr. Niemi advising him of the representatives of the Office of Administration who I am sending to Alaska to assist him and his staff in implementing the recommendations of the Project Examination Division.

As I expressed at our recent meeting, I expect real concrete achievements to be accomplished by the task force for the limited period of time they may stay in Alaska.

It is my desire that the group will act as a team coordinating with Mr. Martin their proposals and plans. While each specialist will be responsible for the technical matters within his area, I expect him to take up with Mr. Martin major problems and policy matters that must be brought to the attention of Mr. Niemi or his top staff. Such matters will then be discussed with the appropriate Alaska officials (Bureau or State) by Mr. Martin and the division specialist.

I am hopeful that each division representative will be able to accomplish a great deal in his area within the time available for this assignment.

Attachment

*Mr. Hammond*

LETTER OF INTENT

Mr. W. J. Martin, Regional Highway  
Director, Alaska

November 7, 1959

J. C. Allen, Assistant Commissioner for  
Administration  
Washington, D. C.  
Project Administration - Alaska

24-00

Since I returned from Alaska I have reviewed the report of the Project Administration Division covering the operations of your region. I have also discussed the report with Mr. Alameda and other members of my staff who have special responsibilities in certain administrative areas.

After carefully considering the report and the recommendations the improvement contained therein, I thought it would be helpful to you and your administrative staff if I sent to Alaska, for a short period of time, a team of administrative specialists from my office to assist in developing plans and procedures for carrying out any of the recommendations of the Project Administration Division. It is my thought that these specialists could work with the employees selected by you and Mr. Martin to develop plans, guidelines, and time schedules for carrying out the recommendations in their administrative areas. Since I am sending representatives from three different divisions in the Office of Administration, I have selected Mr. W. J. Martin as my representative to coordinate the activities of the group.

Mr. Martin will also discuss with you and explore in more detail the best method of developing organizational plans for the Federal-aid organization in Alaska after the construction and maintenance activities have been taken over by the State.

When the Project Administration Division leaves in July, the State has made some key appointments in the Highway field and it may be that the State will now have more definite plans with respect to sampling construction and maintenance operations. In any event, it is essential that plans be developed for the Federal-aid organization that we may expect to have in Alaska after the State takes over all highway activities.

The task force will consist of W. J. Martin, coordinator and my personal representative, C. E. Sattergreen, Budget and Management Division, Joseph Moore and Bill O'Hanlon, Administrative Services Division, C. H. Smith and James F. Keenan, Finance Division, and Tom S. Gillson, Region 8, to help in equipment depot and accounting areas. I realize this is a formidable group to visit you at one time, but since so many of the problems involve more than one area, I think more can be accomplished if a representative group is there together.

RG 30, Bur. of Public Roads  
E. 6 D, Gen. Corr. + Related Recs, 1955-59  
Box 1128

I am hopeful that with this group of specialists definite plans can be promptly laid out and action taken to implement the recommendations of the Report Committee Division in the administrative areas.

JCAllen:vcw

cc: Mr. Allen  
Mr. Martin  
Mr. Fincher  
Mr. Rosen ✓  
Mr. Alexander  
Files



BUREAU OF PUBLIC ROADS

Alaska

Mr. J. C. Allen

November 5, 1959

24-22

C. E. Fincher, Jr. and J. Mauro

Project Examination - Alaska, Your Memorandum of November 3, 1959

The Divisions of Finance and Administrative Services have agreed that it would be appropriate to proceed with the development of equipment rental rates for the State of Alaska with the objective that such rates would exclude operating costs pursuant to Project Examination Division report, page 128. The waiving of the requirements of the Accounting Systems Manual for clearing charges for fuel thru the equipment overhead account in favor of applying charges for fuel direct to the project on which the fuel will be consumed will be accomplished by formal authorization to Mr. Niemi during the Task Force visit.

The agreed method of costing which follows accepted commercial practices is considered to be a step in the right direction for simplifying the handling of depot accounting transactions. In this connection it was the concensus that our efforts in effecting further improvements should be tailored to the costing procedures permitted in the AASHO Accounting Manual with a view that ultimately we would convert the prescribed accounting system of the Bureau to the AASHO system insofar as Alaska depot operations are concerned. It is intended that this be one of the projects to coordinate with the appropriate representatives of the State of Alaska and provided an agreement can be reached whereby Alaska would be willing to adopt the AASHO system it is proposed to begin work on the development of the cost system for Alaska and instruction for conversion on Mr. Warren's return from Region 10. It should be understood, however, that Region 10 will continue to comply with the present prescribed depot accounting procedures as modified by the above indicated waiver until complete and comprehensive procedures have been developed for conversion and operations of the AASHO system.

JFWarren:abc

cc: Mr. J. Mauro ✓  
Mr. C. E. Fincher  
Mr. C. H. Smith  
Mr. J. F. Warren  
Mr. E. J. Martin  
MM. F. P. Alexander  
Reading file



*M. Allen*

Mr. W. J. Miami, Regional Engineer  
Juneau, Alaska

November 4, 1939

24-50

J. C. Allen, Assistant Commissioner  
Washington, D. C.

Project Examination - Alaska

You have already received a completed copy of the report. There are attached copies of pertinent correspondence to other officials of Public Roads.

We are not commenting specifically at this time on the matters dealing with staffing, as covered on Page 20, and maintenance on Page 14.

*Valdez District*

On Pages 24-26 the question was raised by the team as to continuance of the engineering direction setup at Valdez. Your comment was that you would defer action pending receipt of instructions from Washington. In view of the financial interest of the State of Alaska, it appears desirable that the State comment on the recommendations of the team rather than that a determination be made wholly within Public Roads. It will be appreciated if you will secure the State's comment.

*Const. Engineering*

As regards engineering costs exceeding 10% mentioned on Page 31, your comments that steps will be taken within the bounds of efficient operations to reduce construction engineering costs have been noted. It is believed desirable, however, that you advise us as to the specific steps you intend to take. It is essential that Public Roads adequately support its engineering costs as necessary and in keeping with efficient operations. I would recommend some considered planning after complete analysis of your problems and that such planning be reduced to writing. This is believed to be highly essential for any reviews subsequently made of your region.

*Report Watchmen*

On Page 113, among others, the necessity for watchmen is covered. It is realized that you have asked for an expression of an opinion from the State on the essentiality of these employees. However, unfortunately the report does not reflect that the watchmen are on duty but five days a week, Monday through Friday, according to the team, and this additional information could not have been furnished the State. If you find that the team was in error in its understanding of the five-day week, please so advise us. Otherwise, we think this fact should be furnished to the State.

*Sign Shop*

On Page 193, comment is made about the operations of a sign shop. In your memorandum of September 11, 1939, you advise that the shop had discontinued all operations except the repair of metal signs as a direct maintenance operation. It will be appreciated if you will advise us of

the duties assigned the employees of the sign shop and the essentiality of their continued employment. In connection with any function discontinued pursuant to your action on the Project Examination Report, it is desired that you advise us of the necessity for continuance of the employees involved. //

The team has advised us of the cooperation rendered them during their time in Alaska. They advised that although the report was essentially on the areas of improvement, the region could not have been in operation as long as it has been if there was not some very capable administration of functions in Alaska. There is attached a statement of a few of the accomplishments of the region which the team desired to be included in the overall report. I join the team in stating their appreciation of their reception in Alaska.

I would appreciate receiving your comments and a summary of the action taken on the report in approximately ninety days. //

FR: Alexander:ans

cc: Mr. J. C. Allen

Mrs. A. Smith - D.F.

Miss Maloy (tichler file copy) Res. 737

Mr. C. E. Fincher

Mr. Hamann <sup>Alaska</sup>  
Rm. 647  
November 3, 1959

J. C. Allen

24-50

Project Examination - Alaska

26  
There is attached a copy of the report on the subject review. Your attention is particularly invited to Pages 60 through 63, 91 through 93, and Page 128. Because of the numerous other items directly connected with financial management and interspersed throughout the report, an entire copy of the report is being furnished to you.

The item on Page 128 deals with the inclusion of operating costs within the rate base. It is recommended that you discuss this item with the Administrative Services Division since the staff responsibility of equipment depot operation lies with that division. I would like to have a joint recommendation of your division and the Administrative Services Division on this matter and in the event agreement cannot be reached between yourself and Mr. Hamann, it is desired that a joint report be submitted setting down the pros and cons of the problem.

In regard to comments beginning on Page 91, on overruns and project costs, the region states in its memorandum of September 11, Item 13, that steps are being taken to overcome this condition.

You have a copy of my memorandum to the Commissioner regarding furnishing assistance to the region in the way of management studies and any action you take in connection with this report should be with the thought of that possibility in mind.

Attachment

cc: Mr. Niemi, Regional Engineer

Mr. R. Hamann ✓

Mr. J. C. Allen

Mrs. A. Smith - D.F.

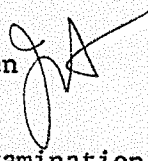
Miss Maley (tickler file copy) Rm. 737



*Alaska**Office Memorandum* • UNITED STATES GOVERNMENT

TO : Mr. R. R. Hamann

DATE: November 2, 1959

FROM : J. C. Allen 

SUBJECT: Project Examination - Alaska

There is attached a copy of the report of the Alaska Region. There is also attached a copy of Mr. Niemi's memorandum of September 11, 1959, dealing with many items of interest to your division. In addition, a copy of Mr. Niemi's letter to the State of August 28, 1959, regarding repairs to buildings and purchase of stores and supplies, is attached. It is suggested that as you followup on items which you believe require your attention, Mr. Mauro or yourself check the files of the Project Examination Division. An attempt will be made to furnish you copies of all replies from Mr. Niemi on matters in the report pertaining to your division but because there have been quite a number of incoming memoranda it may be well to determine whether any have been overlooked. ✓

In my memorandum to Mr. Fincher I asked that the two divisions discuss the inclusion of separating costs within the equipment rate base as covered on Page 128. You will receive a copy of my memorandum to Mr. Fincher.

Mr. Alexander reported to me on the outstanding assistance rendered by Mr. Mauro, not only within the areas of interest of your division, but generally. He stated that an outstanding performance by Mr. Mauro in technical assistance and cooperative accomplishment came as no surprise to him as this was in character with Mr. Mauro's performance in the past.

Attachments

Alaska

10-30-59

To: Juneau Alaska - Memo

From 24-64 Kramer-Hamann -

Transfer of Functions + Records  
to the State of Alaska under  
Provisions of Section 21 (a)  
Alaska Omnibus Act.

Above attached to  
Memo 6-13-61

24-64-Kramer-Allen

To: Juneau Alaska

Filed 313 -  
date 6-13-61

BUREAU OF PUBLIC ROADS

*Alaska*

*1467*

Files

October 26, 1959

24-62

W. H. O'Donoghue, Chief  
Property and Services Branch

Meeting Between Representatives of BPR, Alaska Railroad and  
Office of Territories

At 2:00 p.m. on October 22, 1959, a meeting was held between representatives of the Bureau of Public Roads, the Alaska Railroad, and the Office of Territories. In attendance were Messrs. W. J. Niemi, J. Mauro, and W. H. O'Donoghue of the Bureau of Public Roads, Mr. R. N. Anderson of the Alaska Railroad, and Mr. K. Coulter and Mrs. Van Cleve of the Office of Territories. The purpose of the meeting was to determine if the Alaska Railroad would grant leases to the State of Alaska for the lands now leased to BPR and on which BPR has erected facilities which are now in the process of being transferred to the State of Alaska under the Alaska Omnibus Act. (The Bureau-owned Fairbanks Equipment Depot was used as an example for the purposes of the meeting since it had been the subject of earlier correspondence between Messrs. Niemi and Anderson.)

The representatives of BPR explained that under the provisions of the Alaska Omnibus Act the Bureau is required to transfer to the State of Alaska all activities not necessary to the performance of their changing role in Alaska. Some of these facilities were erected on land leased at no cost from the Alaska Railroad. Using the Fairbanks Equipment Depot as an example, BPR explained the State's need for these activities and the sizeable expenditures necessary if the State were required to move the facility. Mr. Anderson of the Alaska Railroad indicated that his organization was definitely interested in retaining the ownership of the lands but would pose no objection to leasing the lands to the State. Whether such leases would be at no cost to the State or at reasonable rentals would be a determination of the Alaska Railroad. The representatives of BPR pointed instances other than the Fairbanks Equipment Depot in which the Alaska Railroad owned the land and BPR owned the improvements. Mr. Anderson indicated that he could see no reason why leases could not be granted to the State in each instance.

The meeting concluded with the understanding that Mr. Anderson would reply to Mr. Niemi's latest letter on the Fairbanks Equipment Depot, stating the Alaska Railroad's position and referring to this meeting.

WHO'Donoghue:ccc

cc: Files

✓ Mr. J. Mauro

Mr. Niemi

Mr. O'Donoghue

Reader File



I advised Mr. Seidman that in my own opinion this interpretation was too broad and, furthermore, that even if his interpretation of the statute was adopted, I questioned whether all of the services requested by the Governor could be performed under 44(c). I made particular reference to the furnishing of utility services (water, electricity, heat, ) for isolated locations. I also asked Mr. Seidman why it was considered desirable to change the basis of performance from 44(b) to 44(c) at this late date. I pointed out to him that the papers to authorize proceeding under 44(b) seemed to be in order and the matter could be solved by a simple signature on the proposed letter of authorization. I advised that in my opinion if it was now decided to proceed under section 44(c) substantial delay would occur because I felt that a first step necessarily would be a detailed analysis of the property transferred to Alaska insofar as it related to the services which the Governor of Alaska now wishes to be performed by Public Roads. I further advised Mr. Seidman that while I did not participate in negotiating the existing contract between Alaska and Public Roads, I understood that negotiations were somewhat lengthy and that I would anticipate difficulty in amending the existing contract.

It was agreed by the group that there is no question as to the authority to proceed under section 44(b), and it seemed to be the opinion of the group that even if 44(c) is broad enough to permit the services, the time element and possibility of delay would indicate that it is preferable to proceed under 44(b) as proposed by the Bureau of Public Roads. Mr. Seidman stated that he would discuss the matter further with officials of the Bureau of the Budget and let us know the decision.

R. L. May/plr  
cc: Files (2) ✓  
Gen Counsel  
Mr. Booth  
Legis  
Mrs. Nicholson  
Mr. Krevor  
Chron  
Mr. Guandolo

BUREAU OF PUBLIC ROADS

Alaska  
WVW

Mr. C. W. Hatfield

October 28, 1959

H. L. May, Jr. R. L. May, Jr.

26-10

Performance by Bureau of Public Roads of Services in Alaska

On Monday, October 26, 1959, a meeting was held in the office of Mr. Harold Seidman, Bureau of the Budget, for the purpose of discussing the request of the Governor of Alaska that the Bureau of Public Roads be authorized to perform certain services in the State of Alaska under the provisions of section 44(b) of the Alaska Omnibus Act. Present at the meeting were Mr. Seidman, Mr. Paul Sitton, and Mr. Howard Sahnor, Bureau of the Budget; Mr. A. L. Krebs, Department of Commerce; and the writer.

Mr. Seidman had before him the material submitted to the Bureau of the Budget in connection with this matter. The material, which was prepared in this office, consisted of a letter to the Director of the Budget from the Secretary of Commerce explaining the entire situation, and a proposed letter authorizing the Department of Commerce, through the Bureau of Public Roads, to perform the requested services under the provisions of section 44(b) of the Alaska Omnibus Act.

Mr. Seidman stated that a question had been raised as to why it was necessary to proceed under the provisions of 44(b) and whether it would not be possible to proceed under the provisions of 44(c) of the Alaska Omnibus Act. I pointed out to Mr. Seidman that 44(c) authorized the performance of functions only after property was transferred to the State of Alaska and I stated that it was my understanding that the services requested by the Governor of Alaska involved activities not relating to property transferred by Public Roads to Alaska.

Mr. Seidman stated that section 44(c) could be interpreted to authorize services not directly relating to transferred property if services had previously been performed by the Bureau of Public Roads with respect to similar or comparable property which had been transferred. The example which he used was to the effect that if the Bureau of Public Roads had transferred a snow plow to Alaska, then it would follow that the Bureau of Public Roads would be authorized under 44(c) to agree to perform snow removal services for Alaska.

24-40 Guening

FAH 14  
Alaska

October 29th, 1959

Mr. D. Otis Beasley,  
Administrative Assistant to the  
Secretary of the Interior  
Department of the Interior  
Washington 25, D. C.

Dear Otis:

On my return to this country, after five weeks of travels in Soviet Russia, I have read with interest a copy of the letter to Secretary of Commerce Frederick H. Mueller, dated September 3rd and signed by you for the Secretary of the Interior. This letter transmitted a tabulation of unappropriated and unreserved public domain lands and non-taxable Indian lands in each state. The tabulation was needed, of course, in connection with application of the Federal aid highway formula. Your letter, and the tabulation, were transmitted to my office by Paul F. Royster, Assistant to the Federal Highway Administrator, in a letter dated September 25th, which mentioned new sliding scale rates of Federal participation in Federal aid highway projects which would apply in Alaska when our state is admitted to participation in the Federal aid program in fiscal year 1961.

I am greatly dismayed, in reading your letter, to find that some 4,072,117 acres of land in Alaska previously reported as non-taxable Indian land is now to be removed from consideration in computing the Federal aid highway formula. This leaves only 95,103 acres in Alaska classified by you as non-taxable Indian land.

I would appreciate an explanation of the processes by which the Department of the Interior determined that the more than 4 million acres should be dropped from the total. The explanation in your September 3rd letter that "technically, it is Federally owned and therefore cannot be considered Indian land" leaves me in the dark. I am sure you realize that the reasoning behind the modification of the Federal aid formula for states with large public land areas is that states should be relieved of matching requirements with respect to those lands which are in Federal ownership and therefore out of reach of state taxing procedures.

The new theory on which the Department of the Interior appears to be proceeding will cost Alaskans a considerable sum of money in highway matching annually. I ask that it be reviewed and an effort made to put these more than 4 million acres back in the formula, where, by every right, they belong. Your further advice in this matter will be appreciated.

Cordially yours,

ERNEST GUENING

cc- Mr. Paul F. Royster

RG 30, Bur. of Public Roads  
E. 6 D, Gen. Corr. + Related Recs, 1955-59  
Box 1128



Alaska

BUREAU OF PUBLIC ROADS

Mr. W. J. Miami, Regional Engineer  
Juneau, Alaska

October 30, 1959

26-21 By: C. W. Enfield, General Counsel  
A. D. Goldstein

Henry H. Brewer, Assistant General Counsel  
Conveyance of Valdez Property to Alaska Pursuant to Alaska Omnibus Act

We are attaching copy of our wire to Mr. Rader, Attorney General of the State of Alaska.

In our memo of October 6 to you, we requested that the Valdez property, Lots 1 to 25 inclusive, Block 100, be included in the inventory of real property transferred to the State by Quitclaim Deed of June 30, 1959 and that the Departments of Interior and Agriculture and any other Federal agency that has inspected the inventory be advised of the existence of those lands in Federal ownership.

Please advise date when Departments of Interior and Agriculture and any other Federal agency that has inspected the inventory have been advised of existence of Valdez lands in Federal ownership. Also, please advise whether you have received a request by any Federal agency for the properties included in the inventory as of June 30, 1949 or as subsequently added thereto by inclusion of the road from Craig to Klawak - FAS 924 and the Valdez property.

Your memorandum of August 17 advised that a thorough review would be effected relative to proposed revisions of the Quitclaim Deed to include correction of all discrepancies and that such action would be completed in September 1959. We assume that the following are the only revisions required in Deed:

- a. Correction in description of Route FAS 991 from "Chilkat" to "Chilkoot".
- b. Inclusion of road from Craig to Klawak - FAS 924.
- c. Inclusion of Lots 1 to 25, inclusive, Block 100 (Valdez).

Please confirm.

Attachment

ADGoldstein:dlc

cc: Mr. Cunningham, Western Counsel *Mr. H. Jones*  
 Mr. Enfield Mr. May *Mr. Williams, A/W*  
 Chron Lands PF ADG Files (2)



ADDRESS OFFICIAL COMMUNICATIONS TO  
THE SECRETARY OF STATE  
WASHINGTON 25, D. C.



DEPARTMENT OF STATE  
WASHINGTON

*Alaska  
Canada*

October 22, 1959

Dear Mr. Secretary:

I have received your letter of October 9, 1959, enclosing correspondence from Mr. E. O. Sowerwine, Jr., Director, Montana State Planning Board, concerning the improvement of the Alaska Highway.

Our Embassy at Ottawa has been instructed by the Department to discuss the paving of the Alaska Highway with the Canadian Government to obtain the latest information regarding Canadian views. The Department has replied directly to Mr. Sowerwine to this effect.

Sincerely yours,  
For the Secretary of State:

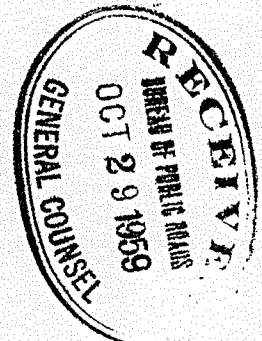
*Foy Kohler*

Foy D. Kohler  
Acting Assistant Secretary  
for European Affairs

The Honorable  
Frederick H. Mueller,  
Secretary of Commerce.

11 10 AM 23 OCT 23 1959

DEPARTMENT OF COMMERCE  
SECRETARY'S  
CORRESPONDENCE UNIT



*File 10/19  
F.C. Mueller*

RG 30, Bur. of Public Roads  
E. 6D, Gen Corr. + Related Recs, 1955-59  
Box 1128



10-18

October 9 1959

The Honorable  
The Secretary of State  
Washington 25, D. C.

Dear Mr. Secretary:

I am forwarding for your information and consideration  
a letter that I have received from Mr. E. O. Sowerline, Jr. of  
Helena, Montana, and copy of a letter which he received from the  
Minister of Highways, Edmonton, Alberta, concerning improvement of  
the Alaska Highway. Enclosed also is a copy of my reply to  
Mr. Sowerline.

Sincerely yours,

FREDERICK H. MUELLER

Secretary of Commerce

COPY TO SECRETARY

Enclosures - 3

Bureau of Public Roads  
FCTurner:agb  
(Controls 45132 and 45137) 10/6/59  
cc: Signer's copy  
Under Secretary for Transportation  
BPR Files

*Ed Turner*  
*10-6-59*  
*10-9-59*  
*10-8-59*  
*W. Keast*

MAILED October 9 1959  
BY *RIK*

\*RETURN TO BUREAU OF PUBLIC ROADS\*

RG 30, Bur. of Public Roads  
E. 6D, Gen Corr. + Related Recs, 1955-59  
Box 1128



# MONTANA STATE PLANNING BOARD

Room 117 Mitchell Building Helena, Montana

September 28, 1959

## BOARD

A. HUGO ANDERSON, GOVERNOR	E. H. BARNETT, JR.,
D. F. FABRICE, UNITED	SECRETARY
CHAIRMAN	
FRED E. BUCK, HELENA	D. J. KELLY, HELENA
	SECRETARY

## ADVISORY COUNCIL

N. C. SETTERSTROM, BUTTE	F. C. HEDGER, HELENA
CHAIRMAN	
W. H. J. EDWARDS, BILLINGS	A. J. WORTH, HELENA
JOHN M. CROSS, BENDISKY	R. R. KERRY, HELENA
JAMES J. YARBERTY	H. A. SLEAKER, HELENA
HELENA	W. H. WRIGHT, HELENA
G. F. HALST, HELENA	JAMES HENDER, HELENA
	T. E. VAHST, JR., HELENA

## EXECUTIVE DIRECTOR

E. O. Sowerwine, Jr., Director  
September 15, 1959

The Honorable F. H. Mueller  
Secretary of Commerce  
Washington 25, D. C.

Dear Mr. Secretary:

Please refer to your letter to Senator James E. Murray, dated August 27, 1959, in which is discussed the practicability of early improvement of the Alaska Highway.

One major comment was that parts of the highway from Edmonton, Alberta, to Dawson Creek are in need of improvement and until these parts are improved it would be questionable whether improvement of the Alaska Highway itself would generate much additional traffic.

Enclosed is a copy of a letter from Mr. Gordon E. Taylor, Minister of Highways of Alberta, in which he mentions that this portion of highway is now under contract and it is certain that all of the road through Alberta from the United States boundary to the British Columbia boundary will be paved before the end of 1960, and that the greater part of this road will be built to modern specifications.

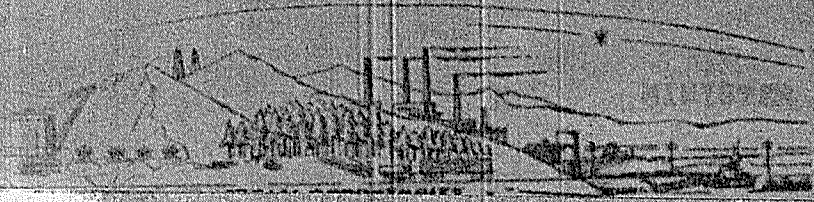
In view of this, we believe it to be topical to have the Alaska road itself paved by the end of this same period. We earnestly urge that the United States Government enter into discussions with the Canadian Government directed toward expediting the necessary work to insure full utilization of the road as soon as possible.

Sincerely,

E. O. Sowerwine, Jr.  
Director

103:1a  
Mont. Cong. Delegation

DEPARTMENT OF INTERIOR  
 SECRETARY'S  
 COMMUNICATIONS UNIT  
 SEP 29 10 17 AM '59



THE OBJECTIVE OF THE STATE PLANNING BOARD IS TO FURTHER THE DEVELOPMENT OF MONTANA FOR THE ECONOMIC AND SOCIAL ADVANCEMENT OF THE PEOPLE OF THE STATE.

RG 30, Bur. of Public Roads  
E. 6D, Gen. Corr. + Related Pces, 1955-59  
Box 1128



Edmonton, Alberta.  
September 18, 1959.

Mr. Elbert O. Sowerwine, Jr.,  
Director,  
Montana State Planning Board,  
Sam W. Mitchell Building,  
HELENA, Montana, U.S.A.

Dear Mr. Sowerwine:

With reference to your recent conversation with Mr. L. H. McManus the Deputy Minister of this Department concerning the paving of the highways in Alberta that lead to Alaska, may I advise as follows:-

This Department has under contract the entire unpaved section between Edmonton and the British Columbia boundary. This section is comprised of three gaps in the present paving as follows:-

- (1) Highway No. 43 between Cherhill and Whitecourt.
- (2) Highway No. 34 between Valleyview and Smoky River.
- (3) Highway No. 2 between Beaverlodge and the British Columbia boundary.

Had we had good weather this season this entire stretch would have been covered. Heavy and continuous rain in June and August has held back our work very badly and it is questionable now if we can complete the work this season. If not it will certainly be done in 1960.

Once the above work has been completed there will be a paved road right from the U. S. boundary to the B. C. boundary and the greater part of this main road is built to modern specifications.

If there is any further detailed information that is required please let me know.

With kindest regards, I remain,

Sincerely yours,

MINISTER OF HIGHWAYS.



21-01

October 9 1959

Alaska  
Canada

Honorable Mike Mansfield  
United States Senate  
Washington 25, D. C.

Dear Senator Mansfield:

I have received your letter of October 1 with which you enclosed copy of the letter to me from Mr. E. O. Sowerwine and copy of the letter to him from the Minister of Highways, Edmonton, Alberta. I am pleased to send you a copy of my reply to Mr. Sowerwine. Returned herewith are the enclosures which you sent with your letter.

With best wishes, I am

Sincerely yours,

FREDERICK H. MUELLER

Secretary of Commerce

COPY TO SECRETARY

*Handwritten signatures and initials*  
10-6-59  
10/8/59

Enclosures - 3

Bureau of Public Roads  
cc: Signer's Copy  
Under Secretary for Transportation  
BPR Files  
Courtesy Copy

RECEIVED  
BUREAU OF PUBLIC ROADS  
OCT 10 1959  
E. O. SOWERWINE

Control 45137 (10/6/59)

MAILED

October 9 1959

*Handwritten initials* RK

RETURN TO BUREAU OF PUBLIC ROADS

Cleared Through  
Administrator's Correspondence Unit

RG 30, Bur. of Public Roads  
E. O. Sowerwine, Gen. Corr. + Related Recs, 1955-59  
Box 1128



Mr. J. C. ...  
Director  
Federal Highway Board  
Washington, D.C.

Enclosed for your review are ... in which are ...  
from the ... with the ...  
to ... as soon as possible.

Sincerely,  
Secretary of Commerce

- Bureau of Public Roads
- Washington
- Control 45132 (10/6/55)
- cc: Signal
- Under Secretary for Transportation
- Mr. Miller
- Region 10
- Engineering
- Operations
- Senator Mansfield
- Mr. Turner
- Department of State



THEODORE FRANCIS GREEN, R.I., CHAIRMAN  
JULBRIGHT, ARK.  
SPARKMAN, ALA.  
ROBERT H. HUMPHREY, MINN.  
MIKE MANSFIELD, MONT.  
WAYNE MORSE, OREG.  
RUSSELL B. LONG, LA.  
JOHN F. KENNEDY, MASS.  
ALBERT GORE, TENN.  
FRANK J. LAUSCHE, OHIO  
FRANK CHURCH, IDAHO

ALEXANDER WILEY, WIS.  
BOURKE B. HICKENLOOPER, IOWA  
WILLIAM LANGER, N. DAK.  
GEORGE D. AIKEN, VT.  
HOMER E. CAPEHART, IND.  
FRANK CARLSON, KANS.

CARL MARCY, CHIEF OF STAFF  
DARRELL ST. CLAIRE, CLERK

## United States Senate

COMMITTEE ON FOREIGN RELATIONS

October 1, 1959

Honorable F. H. Mueller  
Secretary of Commerce  
Department of Commerce  
Washington 25, D. C.

Dear Mr. Mueller:

Enclosed is a copy of letter and attachment which I have received from Mr. E. O. Sowerwine, Jr., Director of Montana State Planning Board, Helena, Montana, addressed to you as Secretary of Commerce, concerning recent developments in Alberta, Canada, which pertains to the improvement of the Alaska Highway.

I would appreciate your providing me with a copy of your reply to Mr. Sowerwine when it is available. Please return the enclosures with your reply.

Thanking you and with best personal wishes, I am

Sincerely yours,

*Mike Mansfield*  
Pdem

1959 OCT 2 M 9 59

DEPARTMENT OF COMMERCE  
SECRETARY'S  
CORRESPONDENCE UNIT

15137

RG 30, Bur. of Public Roads  
E. 6D, Gen. Corr. + Related Recs, 1955-59  
Box 1128



# MONTANA STATE PLANNING BOARD

Sam W. Mitchell Building, Helena, Montana

September 18, 1959

BOARD	
J. HUGO ANDERSON, HELENA	C. H. RAYMOND, HELENA
D. F. FABRICK, CHEYENNE	HENRY J. SARTI, HELENA
CHAIRMAN	R. J. KELLY, HELENA
FREDE RUCK, HELENA	SECRETARY
ADVISORY COUNCIL	
H. G. ESTERHAGEN, HELENA	F. C. GILBERT, HELENA
CHAIRMAN	A. J. MURPHY, HELENA
WM. J. EDWARDS, HELENA	D. K. DEAN, HELENA
JOHN W. COON, HELENA	W. C. TOLSON, HELENA
JAMES J. FLAHERTY, GREAT FALLS	WM. B. SWEETLAND, HELENA
B. F. HALLEY, HELENA	JAMES S. UNDER, HELENA
	I. S. VLAZET, JR., BUTTE

XXXXXXXXXXXXXX

E. O. Sowerwine, Jr., Director

The Honorable F. H. Mueller  
Secretary of Commerce  
Washington 25, D. C.

Dear Mr. Secretary:

Please refer to your letter to Senator James E. Murray, dated August 27, 1959, in which is discussed the practicability of early improvement of the Alaska Highway.

The major comment was that parts of the highway from Edmonton, Alberta, to Dawson Creek are in need of improvement and until these parts are improved it would be questionable whether improvement of the Alaska Highway itself would generate much additional traffic.

Enclosed is a copy of a letter from Mr. Gordon E. Taylor, Minister of Highways of Alberta, in which he mentions that this portion of highway is now under contract and it is certain that all of the road through Alberta from the United States boundary to the British Columbia boundary will be paved before the end of 1960, and that the greater part of this road will be built to modern specifications.

In view of this, we believe it to be topical to have the Alaska road itself paved by the end of this same period. We earnestly urge that the United States Government enter into discussions with the Canadian Government directed toward expediting the necessary work to insure full utilization of the road as soon as possible.

Sincerely,

E. O. Sowerwine, Jr.  
Director

RECEIVED  
OCT 10 1959  
BUREAU OF PUBLIC ROADS  
WASHINGTON, D. C.

20571m  
Mont. Cong. Res. Section

RECEIVED SECRETARY'S OFFICE  
OCT 1 AM 9 17



THE OBJECTIVE OF THE STATE PLANNING BOARD IS TO FURTHER THE DEVELOPMENT OF MONTANA FOR THE ECONOMIC AND SOCIAL ADVANCEMENT OF THE

RG 30, Bur. of Public Roads  
E. O. Sowerwine, Jr., Gen. Corr. + Related Recs., 1955-59  
Box 1128



Edmonton, Alberta.  
September 18, 1959.

Mr. Elbert O. Sowerwine, Jr.,  
Director,  
Montana State Planning Board,  
Sam W. Mitchell Building,  
HELENA, Montana, U.S.A.

Dear Mr. Sowerwine:

With reference to your recent conversation with Mr. L. H. McManus the Deputy Minister of this Department concerning the paving of the highways in Alberta that lead to Alaska, may I advise as follows:-

This Department has under contract the entire unpaved section between Edmonton and the British Columbia boundary. This section is comprised of three gaps in the present paving as follows:-

- (1) Highway No. 43 between Cherhill and Whitecourt.
- (2) Highway No. 34 between Valleyview and Smoky River.
- (3) Highway No. 2 between Beaverlodge and the British Columbia boundary.

Had we had good weather this season this entire stretch would have been covered. Heavy and continuous rain in June and August has held back our work very badly and it is questionable now if we can complete the work this season. If not it will certainly be done in 1960.

Once the above work has been completed there will be a paved road right from the U. S. boundary to the B. C. boundary and the greater part of this main road is built to modern specifications.

If there is any further detailed information that is required please let me know.

With kindest regards, I remain,

Sincerely yours,

MINISTER OF HIGHWAYS.



Alaska

Mr. W. J. Hunt, Regional Engineer  
Juneau, Alaska

October 20, 1959

11-11 Mr. J. Alexander, Chief, Forest Management Division  
Washington, D. C.

Alaska Forest Management

There is attached a copy of the Forest Management Division report incorporating therein your comments on questions asked by this Division. Incidentally the copy of the report is retained in a register together with copies of correspondence to other Divisions while the Washington office is matters of interest to these Divisions. Also there are generally uninitiated communications by the Assistant Commissioner for Administration for action on items which were not reached at the final check-out conference. These items remain until not be reached at least until after the return of Mr. Allen to the office the first of the month. I am not delaying the return of the completed copy of the report. Of course, until you do hear from the or other officials within the Washington office it is not expected that you will proceed on those in which you did not attend at the final check-out conference.

Your letter in which you request is in a matter of administration is not the program that the region has with no contact of our reports.

Your memorandum of October 12, 1959, transmitted a copy of a letter from Mr. [Name] wherein it is stated that Alaska definitely wishes to secure administration of the Forest Highway System in order to have a fully integrated maintenance and forest operations. We do not seem to have a copy of your letter of September 4, 1959, wherein it is presumed you asked for the State's views on this matter. It is recommended that before you proceed with any formal documentation for transferring the property estimated to be needed for maintenance of Forest Highways you secure the advice of Mr. [Name] as to whether your letter of September 4 and the State's reply of September 12, 1959, fully document the understanding that the State is to administer the Forest Highway System without reimbursement except to the extent that Federal and State monies through Forest Act 1952 are available for such costs.

*M. [Name]*

Respectfully

William [Name]

cc: Mr. J. C. Allen  
Mrs. E. Smith - P.M.



BUREAU OF PUBLIC ROADS

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. J. C. Allen, Assistant Commissioner for  
24-00 Administration, Washington, D. C.

DATE: October 12, 1959

FROM : Wm. J. Niemi, Regional Engineer  
10-00.1 Juneau, Alaska

*WJN*

SUBJECT: Program Examination Division Report

On September 11, 1959, I submitted a memorandum reporting the progress of corrective actions agreed upon at my meeting with the Program Examination Team on August 12, 1959. At the conclusion of my memorandum, it was stated that supplemental report of progress would be submitted in approximately thirty days. Accordingly, this memorandum, together with self-explanatory attachments, constitutes such report. Each item of this report will include paranthetical references to the numbered items included in the September 11 memorandum.

1. My previous memorandum indicated (4) that all payrolls except those of the Fairbanks Division were being prepared at the Regional office. Preparation of the Fairbanks payrolls is now an assigned Regional office duty, and becomes effective with the pay period beginning October 18, 1959.
2. The State of Alaska has agreed to maintain all Forest Highways (9).
3. Studies of depot losses (11) still are underway.
4. Depot reorganization (14) continues to be under study. The region-wide taking of inventory has been completed and reconciliation is now being effected. Depot reorganization study and planning is integrated with this inventory.
5. Instructions to effect a uniform method of issuing, receipting and accounting for operating supplies, equipment, repair parts, and construction material (23), have been finalized and will be issued as soon as inventory reconciliation has been completed.

October 12, 1959

6. We are now preparing additional conveyances of personal and real property to the State (25). These documents will be finalized with the Western Counsel.
7. A request to the State to arrange for the registration of real property transferred to the State from the Bureau (28) is being drafted at this time.
8. The item of privately owned asphalt in the government storage tanks at Anchorage (32) has been resolved, and payment made to the owning contractor.
9. The procedures for charging transportation expenses for stores and equipment (33) have been reviewed and instructions for revision are now being drafted.
10. Purchasing procedures (38) have been revised and issued.
11. The taking of the region-wide inventory has been completed in accordance with instructions (39) and, as hereinbefore stated, is now being reconciled.
12. The recommendations of the Team (40) for property designation, evaluation, disposition, etc., have been or are being given effect.

My memorandum of September 11, 1959 informed you that as of that time we had not received a copy of the Team's report which was to have included the comments of the Regional Engineer. This copy which was promised by Mr. Alexander as yet has not been received by this office.

An additional supplemental report of progress will be submitted about December 20, 1959.

Attachments:

## Office Memorandum • UNITED STATES GOVERNMENT

24-22

TO : Mr. C. E. Fincher, Jr., Chief, Finance Division  
24-20 Washington, D. C.

DATE: October 9, 1959

FROM : Wm. J. Niemi, Regional Engineer  
10-00.12 Juneau, Alaska

SUBJECT: Project Designation

Reference is made to your memorandum of October 5, 1959 in answer to mine of August 25, 1959 concerning project designations for non-participating work for the State of Alaska.

Paragraph 3 of your July 1, 1959 memorandum is understood and prescribed procedures are being followed. Your October 5, 1959 memorandum states that the letters prefix for these projects should be omitted, leaving only the numeral 1 to designate the first project, 2 the second, etc. The project would thus be shown as 620-1.

The prescribed coding is extremely confusing to our field personnel, with the numerous appropriation codes and various numerical project series. The letters AS were originally placed in the project numbering series to make it easier for field personnel to record charges on time and attendance reports and other source documents. The designation 620-1, or 620-01, would inevitably become in some instances 620-10, which designates State Administration.

Since the letter prefix is ignored in punching the IBM cards, we fail to see where it can have any effect on your operations. The existing numbering series has been in operation approximately two months and is working well. Unless we are instructed to the contrary, we shall continue to use the prefix AS for these projects.



BUREAU OF PUBLIC ROADS

Mr. Wm. J. Niemi, Regional Engineer  
Juneau, Alaska

October 5, 1959

C. E. Fincher, Jr., Chief, Finance Division  
24-22 Washington, D. C.

With reference to your office memorandum of August 25, 1959, Subject: Project Designation, be advised that pursuant to my memorandum of July 1, 1959, Subject: Special Accounting Instructions Re: Public Law 86-70, the three digit code 620 cited in your example automatically classified projects as 100% State financed.

It may be noted that paragraph 3 of my July 1, 1959, memorandum established appropriation codes to identify projects with systems or activities which in turn classified the projects as 100% State financed or within the appropriate Federal participation category, i.e., 100% Federal - 10% State or 100% Federal - 13-24% State. Additionally, procedures were prescribed in referenced paragraph for the maintenance of individual project cost records under the respective appropriation codes. These project cost records are to be maintained to reflect expenditures incurred against the individual projects and are to serve as the media for preparation of State reimbursement vouchers and for reporting trust fund expenditures to the Governor pursuant to the provision contained in the contract between Public Roads and the State of Alaska, dated July 1, 1959.

In view of the above the use of prefix "AS" in the project number portion of the coding structure is considered unnecessary, particularly since the stated procedures provides for the grouping of projects cost records separately under specific types of financing. The description of appropriation code 620 is being revised to read "Administration, Equipment Depots, and Other State Financed Activities".

JFWarren:mb

cc: Files (2)

Chron File

Mr. J. F. Warren

Mr. T. Cook

Mr. D. Beach

Mr. DeFreitas