

3/20

10/8/59

Enclosure

W. A. Sauerstein, Jr.
Director
Arkansas State Planning Board
Fayetteville, Arkansas

Dear Mr. Sauerstein:

Thank you for your letter of September 24 in which you 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 Adams Highway as soon as possible.

Because this involves matters outside the jurisdiction of this Department, I am forwarding your letter to the Secretary of State for his consideration.

Sincerely yours,

Secretary of Commerce

Bureau of Public Roads
Washington
Control 45132 (10/6/59)

- cc: - Sauer
- Under Secretary for Transportation
- RPH files
- Mr. Tallant
- Region 10
- Engineering
- Operations
- Senator Mansfield
- Mr. Turner
- Department of State



This installation was transferred to the State of Alaska on July 1, 1959. Mr. Niemi advises that the State Department of Public Works has concurred in discontinuing this service and does not wish it to be reused for one individual.

Sincerely yours,

Paul F. Royster
Assistant to the
Federal Highway Administrator

WJNiemi:EEE:nk Control No. FR-4979 (9/29/59)
cc - Files (2)

Federal Hwy. Projs. Div. ✓
Mr. W. J. Niemi (2-cc)
Mr. E. L. Armstrong
Mr. B. D. Tallamy
Mr. Ghiglione
CC Unit
Mr. Royster

Cleared Through
Administrator's Correspondence Unit

✓ Cong. 13th - Alaska 8/16
X Alaska Genl 7A
X McKinley General

23-10

SEP 29 1959

Honorable Ernest Gruening
United States Senate
Washington, D. C.

Dear Senator Gruening:

Reference is made to your telegraphic inquiry of September 8, 1959, to Regional Engineer W. J. Niemi, concerning the discontinuance of furnishing electrical energy to employees residing in the vicinity of the Cantwell installation. - att.

During the construction of the Denali Highway into McKinley Park, Cantwell was a construction headquarters with a large number of employees with families stationed there. With the completion of the road this station is now operating on a reduced scale and Mr. Niemi has advised that a review of the generating facilities and power requirements at the installation indicated that substantial savings to the Government would accrue by discontinuing service to a few remaining employees residing outside of the installation boundaries. Power had been supplied recently to only two permanent mechanic employees and one temporary seasonal cook, utilizing long transmission lines having an excessive line loss to reach their places of residence. Notice of discontinuance was given to the three employees and power was cut off on June 1, 1959. Since that time one of the permanent mechanics resigned and moved to Anchorage and the other mechanic purchased his own light plant. Only the cook, who is a temporary employee and who works seasonally during the summer months, has continued to appeal for power during the winter when he is unemployed. With discontinuance of service outside the installation boundaries and other improvements, a 30 kw generator is able to supply all power. Prior to the change a 50 kw plant was taxed to its limit in carrying the load.

This installation was transferred to the State of Alaska on July 1, 1959. Mr. Niemi advises that the State Department of Public Works has concurred in discontinuing this service and does not wish it to be resumed for one individual.

Sincerely yours,

Paul F. Royster
Assistant to the
Federal Highway Administrator

WJNiemi:EEE:rk Control No. PR-4979 (9/29/59)
cc - Files (2)

Federal Hwy. Projs. Div. ✓

Mr. W. J. Niemi (2-cc)

Mr. E. L. Armstrong

Mr. B. D. Tallamy

Mr. Ghiglione

CC Unit

Mr. Royster

Cleared Through
Administrator's Correspondence Unit

BUREAU OF PUBLIC ROADS

10-00.2 Mr. B. D. Stewart, Jr., Construction and
Maintenance Engineer, Juneau, Alaska

September 14, 1959

10-20.2 H. W. Johansen, Division Engineer
Fairbanks, Alaska

Power to Cantwell Individuals

In response to your request of September 8, 1959 for report of the subject, we offer the following:

The Cantwell depot was transferred to the Fairbanks Division on April 1, 1959, at which time an inspection was made. During this inspection it was found that power was being furnished to three individuals, Mr. John B. Skipper, Mr. Albert M. Smith, both permanent BPR employees, and Mr. James Simpson, a temporary seasonal employee, all of whom were living outside of the BPR depot reserve in private homes.

Questioned upon the authority to furnish this power, the enclosed eight letters were produced.

Further inspection of the power system indicated that if we were to continue furnishing power to these individuals, we would be faced with the problem of renovating the hazardous makeshift powerlines, installing transformers to reduce the high line losses, and possibly installing the larger powerplant, as the system as operating on April 1, 1959 taxed the 50 KW plant.

It was determined administratively by the Fairbanks Division that no power would be furnished to private individuals as we must give all persons the same consideration. This would mean expanding our power system to include all of our permanent and temporary employees at Cantwell, the cost of which would be prohibitive. The three persons at Cantwell were informed that no exception would be made for them; however, a reasonable time would be allowed to make other arrangements.

Furnishing power was discontinued June 1, 1959, with the following results: Mr. Smith purchased his own power plant; Mr. Skipper resigned and left the area, and Mr. Simpson continued to appeal for an exception. A 30 KW power plant, which replaced the 50 KW plant, is now capable of meeting the power requirements of the Cantwell depot.

Attachments: (8)

816 Office Memorandum • BUREAU OF PUBLIC ROADS • UNITED STATES GOVERNMENT

TO : Mr. Paul F. Royster, Assistant Commissioner
23-00 for Operations, Washington, D. C.

DATE: September 25, 1959

FROM : Wm. J. Niemi, Regional Engineer
10-00 Juneau, Alaska

WJN

SUBJECT: Inquiry from Senator Gruening on Furnishing Electrical Energy to
Employees at Cantwell Depot

The field investigation of this situation has now been completed and we are enclosing a copy of Division Engineer Johansen's report for your information. There is also enclosed a draft of a suggested reply to Senator Gruening.

Attachments 2
(c of Mr. Johansen's report)
(draft of suggested reply)

RECEIVED
THE PROPERTY
SEP 28 1959

SEP 28 1959

DRAFT

The Honorable Ernest Gruening
United States Senate
Washington, D. C.

Dear Senator Gruening:

Reference is made to your telegraphic inquiry of September 8, 1959, to Regional Engineer Wm. J. Niemi concerning the discontinuance of furnishing electrical energy to employees residing in the vicinity of the Cantwell installation.

During the construction of the Denali Highway into McKinley Park, Cantwell was a construction headquarters with a large number of employees with families stationed there. With the completion of the road this station is now operating on a reduced scale and Mr. Niemi has advised that a review of the generating facilities and power requirements at the installation indicated that substantial savings to the government would accrue by discontinuing service to a few remaining employees residing outside of the installation boundaries. Power had been supplied recently to only two permanent mechanic employees and one temporary seasonal cook, utilizing long transmission lines having an excessive line loss to reach their places of residence. Notice of discontinuance was given to the three employees and power was cut off on June 1, 1959. Since that time one of the permanent mechanics resigned and moved to Anchorage and the other mechanic purchased his own light plant. Only the cook, who is a temporary employee and who works seasonally during the summer months, has continued to appeal for power during the winter when he is unemployed. With discontinuance of service outside the installation boundaries and other improvements, a 30 kw generator is able to supply all power. Prior to the change a 50 kw plant was taxed to its limit in carrying the load.

This installation was transferred to the State of Alaska on July 1, 1959. Mr. Niemi advises that the State Department of Public Works has concurred in discontinuing this service and does not wish it to be resumed for one individual.

Very truly yours,

Mr. K
 H attached
 dept is OK.
 Please type
 or is
 Mr

FORM CD-14 U.S. DEPARTMENT OF COMMERCE DATE (12-12-56)	
TRANSMITTAL SLIP	9/8/59
TO: Mr. P. F. Royster Washington office	REF. NO. OR ROOM, BLDG.
FROM: Wm. L. Niemi, Reg. Eng. Region 10, Juneau	REF. NO. OR ROOM, BLDG.
ACTION	
<input type="checkbox"/> NOTE AND FILE	<input type="checkbox"/> PREPARE REPLY FOR MY SIGNATURE
<input type="checkbox"/> NOTE AND RETURN TO ME	<input type="checkbox"/> TAKE APPROPRIATE ACTION
<input type="checkbox"/> RETURN WITH MORE DETAILS	<input type="checkbox"/> PER YOUR REQUEST
<input type="checkbox"/> NOTE AND SEE ME ABOUT THIS	<input type="checkbox"/> SIGNATURE
<input type="checkbox"/> PLEASE ANSWER	<input checked="" type="checkbox"/> FOR YOUR INFORMATION
<input type="checkbox"/> FOR YOUR APPROVAL	<input type="checkbox"/> INVESTIGATE AND REPORT
<input type="checkbox"/> PER OUR CONVERSATION	
COMMENTS:	
The attached pertains to a request from Senator Gruening. A detailed report will follow.	
PR-4979	
GPO: 1957 O - 414035	COMM-DC 969

23-10

7
7
SEP 17 1959

Honorable Ernest Gruening
United States Senate
Washington, D. C.

Dear Senator Gruening:

We have received copies of your telegram to our Juneau field office and their reply, concerning the suspension of electric service to our employees at Cantwell, Alaska.

Complete information concerning this subject will be forwarded to you when the field report mentioned in Mr. Niemi's telegram is received.

Sincerely yours,

Paul P. Royster
Assistant to the
Federal Highway Administrator

MLHarshberger:nk

Control No. PR-4979 (9/17/59)

cc - Files (2)

Federal Hwy. Projs. Div. ✓

Mr. W. J. Niemi - (2-cc)

Mr. E. L. Armstrong

Mr. B. D. Tallamy

CC Unit - Room 810

Mr. Royster - Room 814

Cleared Through
Administrator's Correspondence Unit

PUBLIC ROADS

DAY LETTER

JUNEAU ALASKA SEPTEMBER 8, 1959

HON. ERNEST GRUENING
UNITED STATES SENATE
WASHINGTON, D. C.

CANTWELL ELECTRIC SERVICE UNDER FIELD INVESTIGATION. FULL REPORT WILL FOLLOW
THROUGH WASHINGTON HEADQUARTERS

NIEMI BPR

WJNiemi:ls

cc: Mr. Royster w/c Senator Gruening wire 9/8

M. W. Bales, Administrative Officer

WJN

PR 4979

TELEGRAM

ALASKA COMMUNICATION SYSTEM
 SIGNAL CORPS, UNITED STATES ARMY
 FEDERAL BLDG., JUNEAU, ALASKA

JR022

JU SEB013 GOVT PD NS WASHINGTON DC 8 1112AME

1959 SEP 8 AM 9 18

WILLIAM J NIEMI REGIONAL ENGINEER BUREAU OF PUBLIC ROADS
 FEDERAL BLDG JUN 0782

I AM INFORMED THAT A SMALL GROUP OF EMPLOYEES OF THE BUREAU OF PUBLIC ROADS HAVING THEIR RESIDENCES CLOSE TO THE BPR INSTALLATION IN CANTWELL HAD BEEN PERMITTED TO USE THE ELECTRIC SERVICE OF THE BPR AT A CHARGE OF \$20. PER MONTH BUT THAT AS OF JUNE 1ST LAST THIS SERVICE HAS BEEN WITHDRAWN SINCE THERE IS AS YET NO OTHER SOURCE OF POWER AVAILABLE IN THIS REGION, ALL THE ELECTRICAL APPLIANCES OWNED BY THESE PEOPLE - STOVES, REFRIGERATORS PUMPS, LIGHTS, ETC. HAVE BEEN RENDERED USELESS

9
 WOULD APPRECIATE YOUR LOOKING INTO THE SITUATION PROMPTLY AND LETTING ME KNOW THE REASON FOR SUCH DISCONTINUANCE AND WOULD ASK YOU HEREWITH TO RESUME SUCH ELECTRIC SERVICE AS PROMPTLY AS POSSIBLE IF AT ALL FEASIBLE

I	A	TO	INT.
		R.E.	
		A.R.E.	
1		ADM.	
		C.&M.	
		DES.	
		P.&R.	
2		N.&R.	

ERNEST GRUENING USS

\$20 1ST ..

PR 4979

✓ Cong. 13k - Alaska
X refer Alaska FH *dem.*

FRANCIS GRUENING
ALASKA
OFFICE ADDRESS
BOX 1001
SITKA, ALASKA

HERBERT W. BEASLEY
LEGISLATIVE ASSISTANT

United States Senate
WASHINGTON, D.C.

September 24, 1959

[Handwritten signature]
" Adm
DWC
7.2.74

Mr. David Beach
Bureau of Public Roads
Metcalf Building, Room 711
1717 H Street, N. W.
Washington, D. C.

Dear Mr. Beach:

I should like to thank you on behalf of myself and others of the staff of Senator Gruening's office for the many, many hours you have spent explaining road problems we were interested in, which you so well understand.

Naturally, we may have to bother you again sometime in the future, but it will not be so continuously as was necessary last spring. At least you can be assured of some respite from our office for awhile. In any event, we are all tremendously indebted to you not only for your knowledge and patience but also for your great ability to communicate understanding of the so-involved federal highway program. I think it is safe to say that if Alaska manages to institute an enlarged ABC road program and institutes an Interstate Road Program, much of the credit will belong to you.

There are many people at the Bureau of Public Roads whom you have recommended to us for information-- Messrs. Enfield, Haskell, Martin, Erhart and Lewis--and I would appreciate it if you would extend to them also our thanks.

Cordially,

ANNABEL SIMPSON
Research Assistant

cc: Mr. James J. Allen

23-10

Congressional Rep. Alaska
** Refer Alaska FA General*
** refer " FH Dev.*

SEP 18 1959

Honorable Ernest Gruening
United States Senate
Washington, D. C.

Dear Senator Gruening:

Your letter of September 2, 1959, to Regional Engineer William J. Rieni, Juneau, Alaska, concerning the improvement and paving of the Sterling Highway on the Kenai Peninsula, has been forwarded to this office for reply.

It is anticipated that future Federal-aid apportionments for highways under the full formula will provide a substantial increase in funds to the State of Alaska. This should result in a stepped-up program for improvement of the Sterling Highway, and we have been assured that this is in the current plans.

The Sterling Highway is now paved from the Seward-Anchorage Highway to Soldotna, a distance of 60 miles. There remains 79 miles of unpaved road between Soldotna and Homer of which a 19-mile section between Homer and Anchor River is now under active reconstruction. The remaining 60 miles north from Anchor River to Soldotna is planned for reconstruction in the summer of 1960 with completion in 1961. It is anticipated that paving will start in 1961 and be completed in 1962. The foregoing schedule is a very tight one and is contingent on satisfactory progress in acquisition of the necessary right-of-way which is becoming an increasingly difficult problem in Alaska. Owners are placing greater value on their holdings and in many instances are requiring the State to resort to the time consuming process of condemnation.

We can assure you that the Alaska program will be given close attention in order to maintain a reasonable construction schedule. We trust that the above information provides a satisfactory reply to your letter, however, if additional information in this regard is desired we shall be pleased to advise you further upon receipt of your request.

Sincerely yours,

Paul F. Royster
Assistant to the
Federal Highway Administrator

cal
CALewis:mk
Control No. PR-4980 (9/17/59)
cc - Files (2)
Federal Hwy. Projs. Div. ✓
Mr. W. J. Niemi (2-cc)
Mr. B. D. Tallamy
Mr. E. L. Armstrong
CC Unit - Room 810
Mr. Royster - Room 814

Cleared Through
Administrator's Correspondence Unit

Similar letter sent Cong. Rivers - this day.

NO. 64

BUREAU OF PUBLIC ROADS

Office Memorandum • UNITED STATES GOVERNMENT

UH

TO : Mr. Paul F. Royster, Asst. Commissioner for
23-00 Operations, Washington, D.C.

FROM : Wm. J. Niemi, Regional Engineer
10-00 Juneau, Alaska *WJN*

DATE: Sept. 9, 1959

Em
Rec'd 9/17

SUBJECT: Congressional and State Correspondence Regarding Improvement of the Sterling Highway, Kenai Peninsula, Alaska

The attached copies of correspondence from Senator Ernest Gruening, Representative Ralph J. Rivers, and Governor William A. Egan refer to complaints from the community of Homer regarding the rate of progress of improving and paving the Sterling Highway leading to that community. Also attached is a draft of a proposed reply to Senator Gruening and Representative Rivers. This office has already replied to Governor Egan.

In past years under the modified Federal-aid formula, which provided about \$9,000,000 per year of construction funds for Alaska Federal-aid projects, the improvement and paving of the Sterling Highway was advanced at a rate of about 20 miles per year. Paving now extends from the Seward-Anchorage highway to Soldotna, a distance of 60 miles. There remains 79 miles to improve and pave from Soldotna to Homer. The section from Homer northward to Anchor River, a distance of 19 miles, is now under reconstruction by contract with completion scheduled for August 1, 1960. The remaining 60 miles from Soldotna to Anchor River is in an approved program and is now under field survey and design. If right-of-way and utilities can be cleared we expect to advertise the 60 mile section for construction in three separate contracts in the spring of 1960, to be followed with paving contracts when ready. It is our best estimate that the paving will be completed in the fall of 1962 under a very tight schedule. All of this program starts with fiscal year 1961 Federal-aid apportionments since all of fiscal year 1960 Federal-aid apportionment to Alaska is reserved for maintenance as permitted by the Alaska Omnibus Act.

As an interesting sidelight on this controversy, the preliminary report of the Project Examination Division team which studied the operations of Region 10 in July and August 1959, contains the following recommendation: "That more attention be given to the economic justification for reconstruction, with particular consideration given to the traffic and maintenance costs and cost benefits to be derived from the reconstruction." The report questioned particularly the need for improving the Sterling Highway.

25b 11 1959

PR-4980

Mr. Paul F. Royster

-2-

Sept. 9, 1959

It is the opinion of this office that the low traffic count on the southern portion of the Sterling Highway can be attributed to the dusty gravel surface of the existing road which deters recreation travel. All recent expansion and investment in the Homer community has been pointed in the direction of the tourist trade and as a recreation spot for residents of the nearby populated areas.

Attachments

- c Ltr. Mr. Gordon to Gov. Egan, 8/29/59
- c Ltr. Gov. Egan to Mr. Gordon, 9/2/59
- c Ltr. Senator Gruening to BPR, 9/2/59, w/ack.
- c Ltr. Rep. Rivers to BPR, 9/4/59, w/ack.
- c Ltr. BPR to Gov. Egan, 9/9/59, w/ack.
- Draft to Senator Gruening and Rep. Rivers

PR 4980

DRAFT

The Honorable Ernest Gruening
United States Senate
Washington, D. C.

My dear Senator Gruening:

Your letter of September 2, 1959, to Regional Engineer William J. Niemi, Juneau, Alaska, has been forwarded to this office for reply. This concerns the improvement and paving of the Sterling Highway on the Kenai Peninsula.

Future Federal-aid apportionments for highways under the full formula will provide a large increase in funds to the State of Alaska. The program for improvement of the Sterling Highway can now be stepped up, and we have been assured by the Alaska Regional Engineer that this is in the current plans.

The Sterling Highway is now paved from the Seward-Anchorage highway to Soldotna, a distance of 60 miles. There remains 79 miles of unpaved road between Soldotna and Homer of which a 19 mile section between Homer and Anchor River is now under active reconstruction. The remaining 60 miles north from Anchor River to Soldotna is planned for reconstruction in the summer of 1960 with completion in 1961. Paving will start in 1961 and be completed in 1962. The forgoing schedule is a very tight one and is contingent on satisfactory progress in acquisition of the necessary right-of-way which is becoming an increasingly difficult problem in Alaska. Owners are placing greater value on their holdings and in many instances are requiring the State to resort to the time consuming process of condemnation.

We can assure you that the Alaska program is being given the close attention that it deserves to keep it on schedule. We trust that the above information will prove helpful.

Sincerely yours,

note :- Similar Ltr. to be sent to:
Representative Ralph J. Rivers
House of Representatives
Washington, D. C.

SA Gen. Dwight D. Eisenhower
Mr. Egan
Mr. Gordon
Mr. Harris
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Harbo
Mr. Mohr
Mr. Winterrowd
Tele. Room
Mr. Holloman
Miss Gandy

P. O. Box 1961
Juneau, Alaska

10-00

September 9, 1959

The Honorable William A. Egan
Governor of Alaska
Juneau, Alaska

My dear Governor Egan:

Please refer to your letter of September 2, 1959, to Mr. Harris L. Gordon of Homer, Alaska, a copy of which was furnished to this office.

With a substantial increase in Federal-aid highway fund allocations to Alaska under the full formula, the schedule for improving the Sterling Highway between Soldotna and Homer can be greatly improved. The section from Homer northward to Anchor River, a distance of 18.8 miles, is now under active reconstruction and will be completed about August 1, 1960. Improvement of the remaining section from Anchor River northward to Soldotna, a distance of 60.5 miles, is in the current approved program. Surveys and design are being pushed and we are very hopeful that three separate construction contracts can be awarded in the spring of 1960 with completion in the summer of 1961. Paving may be possible northward from Homer in late 1960, and southward from Soldotna in late 1961. The completion of the entire section would come in the fall of 1962. This is a rather tight schedule but we are optimistic that it can be met.

At this point a word of caution is advisable. In former days people of Alaska were happy to see roads built and were willing to grant right-of-way without hesitation and without cost. I can recall that you personally donated considerable right-of-way for the improvement and paving of the Richardson Highway at your homesite at Mile 58 on that highway. A large part of the Kenai Peninsula has been homesteaded, much of it under favorable veterans' rights. After securing patent the owners have moved and are difficult to trace. An increasing number are unwilling to accept appraised offers for right-of-way, which requires that we resort to condemnation, a slow and exacting procedure. Still others, including a member of the present State Legislature, question the legality of reservations for right-of-way in existing Federal legislation. REA power lines parallel and cross the highway at many points. A reasonable length of time must also be allowed the local public utility districts to budget funds and physically relocate their lines. These are all factors that are not apparent to the average citizen who can only comprehend his personal inconvenience while all this is going on.

PR 4980

10-00

Governor Egan

-2-

September 9, 1959

Please be assured that all concerned will exert every effort to keep our greatly increased highway program moving on schedule. We appreciate your constructive statement to Mr. Gordon that the construction work under way by those in charge of Alaska's highway program is actually designed to remedy the problems and inconveniences that are being experienced at the present time.

Sincerely yours,

Wm. J. Niemi
Regional Engineer

cc: Mr. Royster, Washington office ✓ w/c Gov. Egan's ltr 9/2 to Mr. Gordon
w/att.

PR 4980

RETURN TO SENATOR CHARLES W. HUGHES
 400 U.S. SENATE BUILDING
 WASHINGTON, D.C. 20540

CHARLES W. HUGHES
ADMINISTRATIVE ASSISTANT

Congress of the United States
House of Representatives
 Washington, D. C.

September 4, 1959

I	A	TO	INT.
1		R. E.	
		A. R. E.	
		ADM.	2/14
		C. & M.	
		DES.	
2		P. & R.	
		M. & R.	

Mr. William J. Niemi
 Bureau of Public Roads
 P.O. Box 1961
 Juneau, Alaska

Dear Bill:

Recently, I have had complaints from the lower Kenai Peninsula area regarding the poor condition of the Sterling Highway from Soldatna south. The information that has come to me is to the effect that completion of this project cannot be expected until 1963. Apparently the poor condition of the highway is resulting in a considerable slackening of traffic into the area, causing some alarm among business and civic groups.

I would appreciate any advice you can give me in this regard, so I will be better able to determine what assistance I might be able to render these people.

Thanking you for your kind cooperation and with best personal regards, I am

Sincerely yours,

Ralph J. Rivers

RALPH J. RIVERS
 Member of Congress

RJR:chd

PR 4980

P. O. Box 1961
Juneau, Alaska

10-00

September 9, 1959

The Honorable Ernest Gruening
United States Senate
Washington, D. C.

My dear Senator Gruening:

Please refer to your letter of September 2, 1959, regarding
improvement of the Sterling Highway to Homer, Alaska.

In accordance with established policy your inquiry is being
forwarded to our Washington office for reply.

Sincerely yours,

Wm. J. Niemi
Regional Engineer

cc: Washington office ✓

SEP 13 1959
REC'D
PR-4980

OFFICE OF THE GOVERNOR
JUNEAU

September 2, 1959

1	A	TO	W
		R.E.	
		A.R.E.	
		ADM.	
		CLERK	
		DEF.	
		FILE	

Mr. Harris L. Gordon
P. O. Box 194
Homer, Alaska

Dear Mr. Gordon:

I regret learning of the economic failure on the lower Kenai Peninsula as indicated in your letter of August 29. It had certainly been my hope that this year, 1959, would see the biggest tourist boom in history over your area.

However, I cannot help but feel that the construction work underway by those in charge of Alaska's highway program is actually designed to remedy the problems and inconveniences that are being experienced at the present time. If this is not the intent of the work being conducted on the highways in your area, then I would agree that changes should be made. I am taking the liberty of sending a copy of your letter over to the Bureau of Public Roads officials. Perhaps they can shed some light on the underlying reason for the work now being accomplished.

I do hope that the situation in your area does not continue to be as vexing and annoying as you point it out to be at the present time.

With kindest regards, I am

Sincerely yours,

William A. Egan
Governor

cc: Mr. William J. Niemi, Regional Engineer
Bureau of Public Roads
P. O. Box 1961
Juneau, Alaska

PR 4980

P. O. Box 1961
Juneau, Alaska

10-00

September 9, 1959

The Honorable Ralph J. Rivers
Member of Congress
House of Representatives
Washington, D. C.

My dear Mr. Rivers:

Please refer to your letter of September 4, 1959, regarding
improvement of the Sterling Highway to Homer, Alaska.

In accordance with established policy your inquiry is being
forwarded to our Washington office for reply.

Sincerely yours,

Wm. J. Niemi
Regional Engineer

cc: Washington office

PR-4980
FEB 11 1960

HEADY HOTEL

On Beautiful Kachemak Bay

RECEIVED
AUG 31 1959

GOVERNOR'S OFFICE

W. L. and Thelma H. Gordon
Proprietors

P. O. Box 194
Homer, Alaska

Rooms with or without bath

August 29, 1959

The Honorable William A. Egan
The Executive Mansion
Juneau, Alaska

Dear Sir:

As business people here in Homer, Alaska and especially being in the hotel business we are becoming worried over the situation that has arisen here.

The tourist trade that has picked up tremendously this year in other parts of Alaska, especially in the Anchorage and Fairbanks areas is passing us by. Our tourist business has dropped off nearly one half of what it was in 1958. This decreased activity is the result of word being circulated in the Anchorage area that the roads on the Lower Kenai Peninsula are in poor condition due to the construction work between Anchor Point and Homer and to the rough dusty sixty mile unpaved portion between Anchor Point and Soldotna; Soldotna being the end of pavement from Anchorage.

At a recent Homer Chamber of Commerce meeting one of the Bureau of Public Roads engineers said that the work program was laid out to keep the road under construction until 1963. Is the Federal and the new State politicians trying to strangle the Lower Kenai Peninsula? The present program affects Kaslof, Glen Gulch, Minilchik, Cahoe, Anchor Point and Homer. Due to a poor fishing year as well as a poor tourist season these places are hard pressed.

Will we have to apply for disaster funds or attempt to get men into strategic positions who are interested in this part of Alaska? We want to be self supporting so feel that aid given us in the form of speeding up road construction would be more advantageous for all concerned.

We know that you are a busy man but hope that you give some consideration to this matter that is vital to this section of the State.

Very truly yours,

W. L. Gordon
PR

Cong. Rk. - Alaska
 X refer Alaska. FA Gen.
 X refer " FH Gen.
 F

SEP 18 1959

Honorable Ralph J. Rivers
 House of Representatives
 Washington, D. C.

Dear Mr. Rivers:

Your letter of September 4, 1959, to Regional Engineer William J. Niemi, Juneau, Alaska, concerning the improvement and paving of the Sterling Highway on the Kenai Peninsula, has been forwarded to this office for reply.

It is anticipated that future Federal-aid apportionments for highways under the full formula will provide a substantial increase in funds to the State of Alaska. This should result in a stepped-up program for improvement of the Sterling Highway, and we have been assured that this is in the current plans.

The Sterling Highway is now paved from the Seward-Anchorage Highway to Soldotna, a distance of 60 miles. There remains 79 miles of unpaved road between Soldotna and Homer of which a 19-mile section between Homer and Anchor River is now under active reconstruction. The remaining 60 miles north from Anchor River to Soldotna is planned for reconstruction in the summer of 1960 with completion in 1961. It is anticipated that paving will start in 1961 and be completed in 1962. The foregoing schedule is a very tight one and is contingent on satisfactory progress in acquisition of the necessary right-of-way which is becoming an increasingly difficult problem in Alaska. Owners are placing greater value on their holdings and in many instances are requiring the State to resort to the time consuming process of condemnation.

We can assure you that the Alaska program will be given close attention in order to maintain a reasonable construction schedule. We trust that the above information provides a

satisfactory reply to your letter, however, if additional information in this regard is desired we shall be pleased to advise you further upon receipt of your request.

Sincerely yours,

Paul F. Royster
Assistant to the
Federal Highway Administrator

CL
CALewis:tb
Control No. PR-4980 (9/17/59)
cc: Files (2)
Federal Hwy. Projs. Div. ←
Mr. W. J. Niemi (2-cc)
Mr. B. D. Tallamy
Mr. E. L. Armstrong
Mr. Royster - Room 814
CC Unit - Room 810

Cleared Through
Administrator's Correspondence Unit

Similar letter sent Senator Gruening - this date

BUREAU OF PUBLIC ROADS

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Paul F. Royster, Asst. Commissioner for Operations, Washington, D.C. DATE: Sept. 9, 1959

FROM : Wm. J. Niemi, Regional Engineer Juneau, Alaska WJN

SUBJECT: Congressional and State Correspondence Regarding Improvement of the Sterling Highway, Kenai Peninsula, Alaska

The attached copies of correspondence from Senator Ernest Gruening, Representative Ralph J. Rivers, and Governor William A. Egan refer to complaints from the community of Homer regarding the rate of progress of improving and paving the Sterling Highway leading to that community. Also attached is a draft of a proposed reply to Senator Gruening and Representative Rivers. This office has already replied to Governor Egan.

In past years under the modified Federal-aid formula, which provided about \$9,000,000 per year of construction funds for Alaska Federal-aid projects, the improvement and paving of the Sterling Highway was advanced at a rate of about 20 miles per year. Paving now extends from the Seward-Anchorage highway to Soldotna, a distance of 60 miles. There remains 79 miles to improve and pave from Soldotna to Homer. The section from Homer northward to Anchor River, a distance of 19 miles, is now under reconstruction by contract with completion scheduled for August 1, 1960. The remaining 60 miles from Soldotna to Anchor River is in an approved program and is now under field survey and design. If right-of-way and utilities can be cleared we expect to advertise the 60 mile section for construction in three separate contracts in the spring of 1960, to be followed with paving contracts when ready. It is our best estimate that the paving will be completed in the fall of 1962 under a very tight schedule. All of this program starts with fiscal year 1961 Federal-aid apportionments since all of fiscal year 1960 Federal-aid apportionment to Alaska is reserved for maintenance as permitted by the Alaska Omnibus Act.

As an interesting sidelight on this controversy, the preliminary report of the Project Examination Division team which studied the operations of Region 10 in July and August 1959, contains the following recommendation: "That more attention be given to the economic justification for reconstruction, with particular consideration given to the traffic and maintenance costs and cost benefits to be derived from the reconstruction." The report questioned particularly the need for improving the Sterling Highway.

SEP 15 1959