

CONTRACT FOR THE BUREAU OF PUBLIC ROADS, UNITED STATES  
DEPARTMENT OF COMMERCE, TO PERFORM CERTAIN HIGHWAY  
FUNCTIONS AND SERVICES FOR THE STATE OF ALASKA

THIS INSTRUMENT made, entered into, and effective as of July 1, 1959, by and between the Federal Highway Administrator acting for and in behalf of the Bureau of Public Roads, United States Department of Commerce, hereinafter referred to as the "Administrator", and the Governor of Alaska acting for and in behalf of the Department of Public Works, State of Alaska, hereinafter referred to as the "Governor",

WITNESSETH:

WHEREAS, in accordance with Section 21 of the Act approved by the President on June 25, 1959, (73 Stat. 141), the Secretary of Commerce on June 30, 1959, transferred and conveyed to the State of Alaska all properties owned, held, administered or used by the Secretary in connection with the activities of the Bureau of Public Roads in Alaska except those properties otherwise needed by the Bureau of Public Roads to perform its usual Federal and Federal-aid highway functions, and

WHEREAS, the Governor is desirous that the Bureau of Public Roads shall continue for a time to perform certain highway survey, design, construction and maintenance functions in connection with the Federal-aid highway program until the State Department of Public Works is empowered and suitably organized and equipped to perform these functions, and

WHEREAS, the Administrator is authorized under Section 44(c) of said Act of June 25, 1959, to contract with the State of Alaska for the performance by the Bureau of Public Roads on a reimbursable basis, until

June 30, 1964, some or all of the functions that it was authorized to perform in Alaska immediately preceding the aforesaid transfer or conveyance of said properties.

NOW, THEREFORE, it is mutually agreed as follows:

1. The Bureau of Public Roads shall continue to construct projects on the Federal-aid highway systems in Alaska, maintain highways on said systems, and perform all other functions necessary in connection therewith in like manner as heretofore, and, with respect to Federal-aid matters, in accordance with Federal-aid regulations and procedures to the extent applicable to Alaska.

2. At the request of the Administrator, the Governor from time to time shall transfer to the Bureau of Public Roads, funds sufficient to finance the costs of performing the functions provided for herein. All such funds shall be placed in a Trust Fund and used by the Bureau of Public Roads solely for the purpose of paying such costs.

3. The Bureau of Public Roads shall submit at least monthly, a written report to the Governor of all expenditures made by the Bureau in the performance of its functions hereunder during the period covered by the report. The report shall be in such detail as to fully inform the State of all expenditures from the Trust Fund, and the status of the work provided for herein.

4. Reimbursement to the State of the authorized Federal participating share of expenditures made by the Bureau of Public Roads in the performance of its functions hereunder shall be in accordance with Federal-aid procedures and by use of the Federal-aid voucher form.

5. For the purposes of carrying out the functions provided for herein, the Governor hereby grants to the Administrator exclusive custody, control and jurisdiction over and the right to use the property and pertinent records heretofore conveyed to the State by the Secretary of Commerce. Such custody, control, jurisdiction and use shall include the authority to repair and maintain such property, to incorporate road building materials in highway construction and maintenance work, and to utilize parts, supplies and other expendable items, and shall continue so long as the property and records are needed by the Bureau of Public Roads to perform any of these functions.

6. Upon completion of performance by the Bureau of Public Roads for the State of Alaska of all the functions provided for herein, or at such earlier time as the Trust Fund may no longer be needed, any unobligated sums therein shall be returned to the State and said Trust Fund terminated.

IT IS FURTHER UNDERSTOOD AND AGREED:

1. That the financial responsibility for the Bureau employees exercising fringe benefits, such as annual leave and return to home station, shall be determined on an equitable basis. Charges against funds available prior to July 1, 1959, shall be on the basis of such fringe benefits earned prior to said date. Such fringe benefits earned on and after July 1, 1959, shall be charged to the Trust Fund.

2. That upon receipt of notice by the Administrator from the Governor that the State Department of Public Works has adequate powers and is suitably equipped and organized, and desires to perform some or all of the aforesaid functions, arrangements shall be made for the Bureau of Public Roads to terminate its performance thereof as promptly as is reasonably possible, and to

release to the State the custody, control and jurisdiction over property relating to said function or functions. In that regard it is understood that any such function or functions returned to the State shall, to the extent feasible, consist of a complete unit of work or activity and comprise a specific area or road division so as to avoid any over-lapping areas of administration. That as Alaska assumes any of the functions herein to be performed by the Bureau of Public Roads, the Bureau shall adjust its personnel consistent with the requirements for performance of the remaining functions.

3. The provisions of this contract are not intended to limit in any way the performance of any services by the Bureau of Public Roads under the provisions of Title 23 United States Code, Section 308, or other Federal law in existence prior to July 1, 1959.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year first above written.

STATE OF ALASKA

By William A. Egan  
Governor

U. S. DEPARTMENT OF COMMERCE  
BUREAU OF PUBLIC ROADS

By [Signature]  
Federal Highway Administrator

APPROVED:

[Signature]

ACTING Secretary of Commerce



P. O. Box 1961  
Juneau, Alaska

10-00.1

August 15, 1960

Honorable William A. Egan  
Governor of Alaska  
Juneau, Alaska

Dear Governor Egan:

The official conveyance documents transferring additional personal property as of June 30, 1960, were transmitted to your office on July 6, 1960. Pages 1, 2, and 3 of Schedules D-2 pertaining to operating supplies, equipment repair parts, and stockpile construction material did not contain a dollar amount. You will recall that we indicated that this amount would be provided your office when the fiscal records as of June 30, were reconciled against the inventory on hand as of that date.

Enclosed are pages 1, 2, and 3, of Schedules D-2, containing the dollar amounts of inventory on hand as of June 30, 1960. These pages are to be substituted for like pages in the official copy left with your office. We are providing the Department of Public Works with copies of these pages.

Sincerely yours,

Wm. J. Miami  
Regional Engineer

Enclosures

cc: C.W.Enfield, Wash.DC  
H.E.Cunningham, San Francisco  
Richard A. Downing, DPW  
Fiscal

Copy	Rtg.	Int.
Commissioner	✓	✓
Admin. Asst.		
Aviation		
Air Terminals		
X Buildings		
X Highways		
Communications		
Fiscal		
Water & Harbor		
X Prop. & Supply		
R. O. W.		
Files		✓
X Equipment		

*Law*

Schedule D - 2  
Equipment and Supplies  
Juneau Division  
June 30, 1960

Account 152 - Operating Supplies - Includes Fuel, Food, Engineering, Field  
Supplies, Small Tools, etc.

1.	Ketchikan	Lot	\$ 2,236.96
2.	Wrangell	Lot	87.76
3.	Petersburg	Lot	62.07
4.	Sitka	Lot	387.22
5.	Juneau	Lot	8,484.43
6.	Hyder	Lot	<u>205.30</u>
		Total	11,463.74

Schedule D - 2  
Equipment and Supplies  
Juneau Division  
June 30, 1960

Account 154 - Equipment Repair Parts

1.	Ketchikan	Lot	\$	1,749.68
2.	Wrangell	Lot		- 0 -
3.	Petersburg	Lot		- 0 -
4.	Sitka	Lot		- 0 -
5.	Juneau	Lot		18,426.88
6.	Hyder	Lot		- 0 -
				<hr/>
				20,176.56



Schedule D - 2  
Equipment and Supplies  
Juneau Division  
June 30, 1960

Account 156 - Construction Material (stock pile)

1.	Ketchikan	Lot	\$ 2,040.47
2.	Wrangell	Lot	1,089.14
3.	Petersburg	Lot	11,286.02
4.	Sitka	Lot	3,556.42
5.	Juneau	Lot	4,408.70
6.	Hyder	Lot	<u>514.15</u>
		Total	22,894.90

*R/W*

U. S. DEPARTMENT OF COMMERCE  
BUREAU OF PUBLIC ROADS  
REGION TEN  
P. O. Box 1961  
Juneau, Alaska

10-00.5

March 1, 1960

Ref: Transfer of  
File Cabinets

Mr. T. D. Sherard  
Director of Highways  
Department of Public Works  
State of Alaska  
P. O. Box 1361  
Juneau, Alaska

Attention: Mr. Donald R. Roser

Dear Mr. Sherard:

Enclosed is the list of files which were delivered to the State Right of Way Section on February 29, 1960.

Please acknowledge receipt of these files by signing and returning a copy of this letter to this office.

Very truly yours,

Wm. J. Niemi, Regional Engineer  
By

*E. Robert Haag*  
E. Robert Haag  
Acting Administrative Officer

RECEIVED AND ACKNOWLEDGED

*[Signature]*  
\_\_\_\_\_  
(Name)  
Right of Way Section  
Division of Highways  
Department of Public Works  
State of Alaska

*3-3-60*  
\_\_\_\_\_  
(Date)

*L BPR - 3-3-60*  
*[Signature]*

Mr. T. D. Sherard

-2-

March 1, 1960

Enclosures:

Land 1

Rabbit Creek (2)  
McGrath  
Anchorage Depot (2)  
Anchorage Tank Farm  
Palmer  
Kenai Depot  
Homer Depot  
Cantwell Depot  
Kodiak Depot  
Kalsin Bay  
Bethel  
Takotna  
Flat  
Talkeetna  
Ninilchik  
Mile 94, Glenn  
Susitna  
Soldotna  
North Kenai  
Naknek  
Girdwood  
Hope  
Valdez Powder  
Valdez Depot  
Copper Highway, Mile 7  
Valdez Housing  
Valdez Tank Farm  
19 Mile, Wortman  
27 Mile, Thompson Pass  
47 Mile Camp  
Tonsina  
Glenallen  
Eureka  
Porcupine  
Trim's  
Paxson  
Tangle Lake  
Chitina  
Slana  
Johnson River  
Gardiner  
Tok  
Big Delta  
Central Camp  
Tatalina River  
Ruby

Enclosures, cont'd.:

Land 1, cont'd.

O'Brien  
Fairbanks - Nenana  
Birch Lake  
Little Chena  
Sitka  
Haines  
Skagway

Land 2, Gravel Permits, 1 drawer

Land 3

FAS 131, Seward Peninsula  
FAP 21, Adams  
Allen  
Bailey  
Bergsrud  
Binger  
Bodnar  
Bower  
Boyd  
Brickner  
Brinkley  
Brown  
Chapman  
Clyde  
Coursen  
Cromer  
Culver  
Curran  
Deitz  
Doser  
Elliott  
Faa  
Fanning  
Farnsworth  
Faulk  
Frederickson  
Gerhart  
Gjosund  
Gordon  
Graham  
Gregory  
Grilley  
Hancock  
Harrington  
Harrison  
Holland

Mr. T. D. Sherard

-4-

March 1, 1960

Enclosures, cont'd:

Land 3, cont'd.

FAP 21, cont'd.

Kavanaugh

Kelly

Kirkpatrick, George

Kirkpatrick, Joyce

Kirsch

Kohler

Kohler

Kraack

Kuler

Irons

Lafflee

Lancashire

Bureau of Land Management

Law

Lawrence

Loosli, Evans & Scott

Lowy

McLaughlin

Manfor

Mason

Meining

Miller (2)

Monseth

Moore

Mullin

Murray

Nordby

Pedersen

Reber

Robinson

Sharp

Sibson

Slavin

Sterling

Svedlund

Thorn

Tolbert

Thompson

Wildwood Station

Wilson

Zentner

FAS 2080, Northern Commercial

United Bretheran

FAS 2611, Christianson

Enclosures, cont'd.:

Land 3, cont'd.

FAP 31, Delaney  
Jarvi  
Johnson  
Lumbis  
Welch  
FAP 37, Bunnell  
Turnbarga  
West  
FAS 389, City of Kodiak  
Corps of Engineers Transfer  
Holland  
Solberg  
FAS 3801, Intercoast  
Orthodox Church  
Ward's Cove (2)  
FAS 3892, Baptist Mission  
Holland  
Solberg  
FAS 3893, Bryan  
FAS 3894, Lynch  
3894 (1) \_\_\_\_\_  
FAS 3911, Gabrielson  
Old  
Solberg  
FAP 42, Sidewalks on Spenard and Campbell  
Glenn Highway (3)  
Bureau of Reclamation  
FAP 46, Tok  
FAS 495, Nash  
FAS 4040, Abbott  
FAS 4101, Anderson  
Bagley  
Barker  
Beier  
Bellamy  
Booderson  
Cary  
Crittenden  
Cuttler  
Davis  
Elliott  
Ewers  
Fletcher  
Herndon  
Hersee  
Laufgren

Enclosures, cont'd.:

Land 3, cont'd.

FAS 4101, cont'd.

Mead, Harry  
Mead, Herbert  
Phillips  
Post  
Rumley  
Sipes  
Steele  
Thompson  
Thurston  
Waddell  
Walli

FAS 4111, Bell

FAS 4711, Consul  
Jones

FAS 4841, Aldous  
Coyle  
General

FAS 4561, General

FAP 52, General  
McKinley Park

FAS 504, Pollock  
Young

FAS 506, Alaska Railroad

FAS 510, Air Force

Carter  
Edlund  
General  
Ohmstad  
Olson  
Relocation  
Vickaryous  
North of Willow

FAS 512, Schandelmeier

FAS 529, Alaska Railroad (2)

FAS 530, Evanson

Fast  
General (2)  
Hoyt  
Jordet  
McCutcheon  
Murray  
Pappademetrio  
Pettite  
Potts (2)

FAS 535, Lewis

Marshall  
School District

Enclosures, cont'd.:

Land 3, cont'd.

FAS 536, General  
FAS 542, Marshall  
Rogers  
Romig Park  
Young  
FAS 544, Vanover  
FAS 546, Abbott  
Alaska Railroad (5)  
Alaska Rural Rehabilitation (9)  
Albrecht  
Bailey  
Bieri  
Boedeker  
Bremman  
Brae  
Brewster  
Brooks  
Buotler  
Chitty  
Clark  
Click  
Conover  
Coven  
Curtise  
Eckert  
Edwards  
Elmendorf Air Force Base  
Freund  
Griffiths  
Harpham  
Havemeister  
Hayes  
Hendricks  
Hjelm  
Hett  
Hughes  
Jeffers  
Jenkins  
John  
Johnson  
ARRC  
Kertulla  
Kozich  
Kruscavage  
Lange  
Lindley  
McGann



Enclosures, cont'd.:

Land 3, cont'd.

FAS 546, cont'd.

McMahon  
Mahaffie  
Martin  
Messer  
Montin  
Nekalson  
Newell  
Newman  
Noggle (3)  
Pennington  
Peterkin  
Peterson  
Phelps  
Phillips  
Proffitt  
Robertson  
Robinson  
Roetman  
Sandvik  
Schultz  
Smith  
Starns  
Swanson  
Wagner  
Welders  
White  
Williamson  
Willie  
Wilson  
Wolke

FAS 547, Dowling

Hemmer  
Nichols  
Northern Construction  
Saxton  
Tharp  
Waldron  
Wells

FAS 550, Briggs

Bureau of Land Management  
McCrary

FAS 555, Fireoved

FAS 565, General

Enclosures, cont'd.:

Land 3, cont'd.

FAS 570, Allen  
Anchorage Light & Power  
Cobb  
Huseby  
Laakko  
Linn  
O'Neil  
Porter  
Simms  
Wright

FAS 5202, Alaska Railroad  
Bragaw  
Collins  
Evans  
Johns  
Kincaid  
Olmstead  
Preston  
Steinhauser

FAS 5292, General  
FAS 5361, Hoffman  
FAS 5381, Alaska Railroad  
FAS 5391, Thompson  
FAS 5471, Chamberlain  
FAS 5621, Soine  
Keist

FAS 5702, Larsh  
FAS 5743, Moore  
FAS 5801, Jones  
King  
Winegarner

FAS 5802, Miller  
FAS 5811, Alaska Railroad  
FAS 5812, Lingo  
FAP 62, Seaton  
Golden Valley Electric Assn.

FAS 620, Badger  
Evans  
Farnsworth  
Greiman (2)  
Keeling  
Nordale  
Tonseth

FAS 624, USSR&M  
FAS 631, Olson  
FAS 639, Taylor, Meyers & Leigh

Enclosures, cont'd.:

Land 3, cont'd.

FAS 644, Adams  
Barr  
Bunnell  
Burke  
General  
James  
Kerner  
Stimple  
Thomas  
University of Alaska  
Warren  
FAS 645, Borchard  
Kobler (3)  
FAS 651, Berg  
Lawlor  
FAS 655, Bjeeremark  
FAS 665, Brown  
Copper  
City of Fairbanks (2)  
Farnsworth  
Growert  
Lakey  
Leasure  
Bureau of Land Management  
Mariner  
Murray  
Pederson  
Roberts  
Southerland  
Stewart  
Swisher  
Thomas  
FAS 668, Couff  
FAS 670, Bentley  
Busbey, Poloff  
Bresser  
Durgan  
General (2)  
Hornsby  
Johnston  
McGrath  
Myatt  
Pettite  
Ponnich  
Roffs  
Webb, Kasolek

Enclosures, cont'd.:

Land 3, cont'd.

FAS 680, General  
Vogler  
FAS 6061, Canaday (4)  
FAS 6181, Gilmore  
FAS 6203, Nordale  
FAS 6204, Tonseth  
FAS 6321, Ackerman  
Bunnel  
General  
Griffith  
Monroe  
Phillips  
Pierce  
Rogers  
Ruland  
Stiles  
Taylor  
White  
Wilcox  
FAS 6441, Busby  
Denny  
City of Fairbanks  
Grenac  
Hohn  
Kager  
Land  
Laurance  
Miller  
Palmer  
Parks  
Swift  
Yankovich  
FAS 6570, Conn  
Dworken  
Harkland  
Lafon  
Miller  
Pike  
Smith (2)  
Wallace  
White  
FAS 6653, Burrington  
FAP 71, Kolb  
Mumpus  
FAS 785, General  
Goheen  
Holburt (3)  
Lost Chicken Mining Co.  
Wade Creek Mining Co.

March 1, 1960

Enclosures, cont'd.:

Land 3, cont'd.

FAS 785, cont'd.

USSR&M

FAS 851, Copper River General

Forest Service

Hike

McCrary

FAP 95, Anway

Coucier

Cointin

Condemnation

Corbet

General (2)

Milnes

Young

FAS 975, Alaska Juneau Mine

FAS 991, Elingen (2)

Lewis

Lowman

Madsen

Nigh

Young

FAS 9041, Nickey

FAS 9831, Forest

Holder

Verbeck

Young (2)

FAS 9872, King

Mud Bay Road

Presbyterian Church

FAS 9902, Allen

FAS 997, General

FAP 11, General (4)

Land 3-6

Toman

Wilk

Bingham

Land 3-9

Bonnifield

Rice

Richardson

Valdez-Copper Center

Land 4

Bureau of Land Management withdrawals (4)

Land 5

Alaska Communications System

Glenallen Repeater Site 1.30 acres relinquished in favor of ACS,  
Request for permit to bury cable between mile 13 & 17 Richardson  
Highway,

Enclosures, cont'd.:

Land 5, cont'd.

Alaska Communications System, cont'd.

Permit of Entry and Use - warm storage building, Tazlina, Glenn Highway.

Permit of Entry and Use - warm storage building, Mentasta, Glenn Highway.

Permit of Entry and Use - warm storage building, near Sinona Bridge, known as Chistochina, Glenn Highway.

Use and occupy space in office building, Glenallen.

Repeater Station, Glenn Highway.

Underground pipeline from Canol pipeline to Tok Junction.

Anchorage - Tok Land Line, Knik River storm fixtures.

Electric transmission lines paralleling Slana - Tok Cutoff Highway in Fairbanks District.

Pipeline, Tok Townsite, Alaska Highway.

Notice to relocate poles located on Glenn Highway.

Buried cable from ACS transmitter to tie in with the Parkway Cable, Kodiak Townsite.

Replace pole line on Steese Highway to Ladd AFB, Lazelle Road.

Underground cable line from Products Pipeline to Mile Post 3 to Haines Townsite, Haines Highway.

Use of storage space in the ARC Depot at Haines.

Cable and carrier repeaters, Mile 47 Building, Richardson Hwy.

Space in Valdez scalehouse.

Vicinity of Northway for Leaching Pit and septin tank outlet pipe.

Northway Repeater Site Access Road, Alaska Highway.

Attach telephone lines to Salcha River Bridge, Mile 323.3 Richardson Highway.

Air Force

Nike Site Jig (communication cable) Eielson defense area, Richardson Highway.

Nike Site "Jig" (Sewer line) Eielson defense area, Richardson.

Moose Creek Dyke Range (buried cable line) Eielson defense area, Richardson Highway.

NPARO 601 Takotna (Right of Entry and Use permit) Exec. Order 8411, Sterling Landing.

NPARO 601.4 Pedro Dome Communication station (access road). Noted under 44LD513, Mile 19.3 Steese Highway.

Eielson AFB outer marker site (communication line) Eielson area, parallel Richardson Highway.

Soldotna White Alice Communication cable pole line, CAA navigation site, Soldotna - Kenai spur.

Kenai POL storage site power line, Kenai Spur.

Elmendorf AFB 33 KV power line (communication line) Russian Jack Springs small tract, Boniface Road.

Enclosures, cont'd.:

Land 5, cont'd.

Air Force, cont'd.

Elmendorf AFB outfall (sewer line) Post Road, Glenn Highway.  
Fairbanks International Airport site (buried cable) Bjeermark Rd.  
Elmendorf AFB water and storm drainage lines, west heating and power plant, Elmendorf AFB access road.  
Ladd Army AAA Site No. 4 buried cable, Fairbanks, Richardson Hwy.  
Ladd AFB communication line, Fairbanks, Richardson Highway.  
Communication cable pole line on Diamond Ridge Road from the Communication site to Homer Air Force Station Site.

Army

Kodiak ACS Receiver Site - Mill Bay pole line.  
Fort Greely POL storage site on Alaska Highway.  
Crossings on the Tudor Road, Muldoon Road and Glenn Highway.  
Two auxiliary tank roads on the Richardson.  
Use permit for observation site, Glenn Highway, Fort Richardson.  
Buried cable across Glenn Highway.  
Richardson Highway near Rapids Roadhouse.  
Cross or maneuver on land adjacent to Willow airstrip.  
Permit for Army at Black Rapids Rock Climbing Training Course.  
Northway ACS Repeater Site water line and power line.  
Cross the Alaska Highway near Gerstle communication line, Gerstle River test site.  
Fuel pipeline at Naknek.  
Haines pipeline; pumping station, Haines; Fairbanks Products pipeline.  
Eight inch pipeline from Haines to Fairbanks.  
Black Rapids Training Site access road, well and water line.  
Telephone line at Wildwood Station in front of Kenai Territorial School.  
Buried cable at Palmer.  
Buried cable across Raspberry & Sand Lake Roads.

Alaska Native Service  
Dot Lake Robertson River Camp.

Alaska Public Works  
Water line at Haines.  
Pipeline at 19th Avenue south to Ladd AFB.

City of Anchorage  
Storm drain east of Spenard to Chester Creek culvert.  
Installing two rigid conduits.  
O'Malley Road to Rabbit Creek.  
Permits issued to Arctic Blvd., International Airport, Raspberry Road, Campbell Station, Gambell Street, 36th Street and Spenard.

Civil Defense (Greater Chugiak)  
Hut on Glenn Highway near Spring Creek.

Enclosures, cont'd.:

Land 5, cont'd.

Combs, Allen C., Access Road.  
Community Utilities, Tok Area franchise.  
Communications Equipment & Service Co., Request only.  
Copper Valley Electric Association, Glenn Highway  
Copper Valley, Richardson Highway.  
Chugach Electric  
Abbot Road  
Street lights along Glenn Highway thru Mountain View.  
Potter and Sand Lake Roads.  
Firewood Lane to Potter.  
3 phase voltage line, Dowling Road.  
Sec. 12, 13, T13N, R3 W. SM.  
Tudor Road (Anchorage-Elmendorf, alternate through route.)  
Kern Creek and Patterson Creek.  
Girdwood.  
Birch Road.  
DeBarr & Boniface Road.  
Seward - Anchorage, T11 R3W Sec. 4 lot 5.  
Light poles, Spenard.  
Traffic light, Spenard.  
Fireweed Lane.  
Overhead, Seward Highway.  
Chester Creek to Fireweek Lane.  
Overhead guy on Seward - Anchorage.  
General.  
Drew, James, Power line across Naknek-King Salmon Road.  
Dykes, Bunk, Buildings on Richardson Highway.  
Duffy, Don, Install gas pumps, Glenn Highway.  
Education  
Land for school at Glenallen.  
Cantwell power line.  
Chugiak Territorial School, amber light on Glenn Highway.  
Eielson Development Co., Street lights on Richardson, Mile 24.  
City of Fairbanks, Telephone line between airport and Geist Road.  
Fairbanks Utilities System, Richardson - Peger - Richardson.  
Fish & Wildlife, Glenallen.  
Glenallen REA, Glenallen.  
U. S. Geological Survey, Nome Building.  
U. S. Geological Survey, Test well on Glenn Highway near Knik  
River Bridge.  
Homer Electric  
Soldotna to Sterling, Sterling Highway.  
Power line between Homer and Clam Gulch, Sterling Highway.



Enclosures, cont'd.:

Land 5, cont'd.

Kenai Power Corporation

Electric transmission line in vicinity of Kenai.  
Naptowne to Anchor Point, Sterling Highway.  
Power lines thru depot and Sterling Highway.

Kenai Telephone Company

Telephone lines on Kenai Spur Road and the Beaver Loop.  
Telephone lines on North Kenai Farm Road.

Haines Light and Power Company

Third Avenue to Standard Oil Company Tank Farm.  
Electric transmission line Survey 207.  
Electric transmission lines from scalehouse location to new  
airport.  
Transmission power line from Standard Oil to end of road.

Kodiak Electric Association

Kodiak - Spruce Cape extension Road.  
Mill Bay Road.

Land Management, ANS

Lytle Green and Birch for lands near Tanana River.

Moore, Margaret B. Morris

Summit Lodge, Richardson Highway.

Morrison, Knudson Company

Use of a campsite at Ninilchik.

Mark Coal Company

Overflume on the Eska Coal Mine Road.

Matanuska Electric

Chickaloon Power Line Extension.  
Eagle River Branch CAA Station at Eklutna.  
Electric transmission lines between Palmer and Granite Creek Br.  
Electric line between Granite Creek and Kings River.

Matanuska Telephone

Attaching fixtures to Matanuska and Knik Bridges on Glenn Hwy.

Nelson, Allen

Pipeline to cross under King Salmon - Naknek Highway.

Northwest Chamber of Commerce

Storage of Bus.

North Star PTA

Sidewalk on Fireweed Lane in Spenard.

O'Harra Bus Line

City of Palmer

Sewer line in the Smith Subdivision.  
Water mains.

Patterson, Wesley W.

Road on Homestead in Dyea Valley.

Ricci, Charles

Seward - Anchorage Highway.

Reclamation, Bureau of

Knik River Bridge.

Enclosures, cont'd.:

Land 5, cont'd.

Richfield Corporation

Seismograph Survey - Sterling Highway.

Richfield Petroleum Co. of California

Drilling operations on Kenai Peninsula.

Spenard Plumbing Inc.

Sewer Line - Post Road.

Spenard PUD

Traffic Light at Fireweed Lane, etc.

Water distribution line, Spenard Road and Minnesota Avenue.

Standard Oil of California

Seismic Survey - Matanuska Valley.

Loading and Access Road, Haines.

2" water line on Haines Highway.

Police

Weighing station Glenn and Richardson Highway.

Stirewalt, R. A.

Richardson Highway, power line.

Turnbull, J. G.

3" pipe on Shaw Creek, Gasoline Creek and Tanana River Bridges.

Turnagain Home Inc.

Sewer and water, Northern Lights Blvd.

Electric lines, Northern Lights Blvd.

U.S. Coast & Geodetic Survey

Sheep Creek, etc.

Wilson, Thomas P.

Big Delta P. O., Richardson Highway.

Wonder Park Water Corporation

Land 6 - Alaska Railroad

Repeater Station Mile Post 92, Seward - Anchorage Highway.

Culvert, Palmer Matanuska Highway.

1 drawer - shelter cabins

2 drawers - microfilm

File cabinets:

Metal, #198

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# Memorandum

STATE OF ALASKA  
DEPARTMENT OF PUBLIC WORKS

*Files*

TO: Richard A. Downing, Commissioner

DATE December 23, 1959

FROM: L. D. Wilson, Highway Consultant

SUBJECT: TRANSFER OF RESPONSIBILITY FOR ALASKA HIGHWAYS FROM U. S. BUREAU OF PUBLIC ROADS TO STATE OF ALASKA, DEPARTMENT OF PUBLIC WORKS.

Because of the fact that the question may be raised as to whether or not the Department of Public Works should take over from the Bureau of Public Roads the administration of those functions which are normally performed by the state highway departments in the various states such as design, construction, maintenance, etc. of public highways on or before July 1, 1960; the writer feels it is appropriate at this time to set forth a few of the reasons why he strongly recommends that every effort be made to properly organize the Division of Highways of the Department of Public Works for the purpose of taking over from the Bureau of Public Roads all of such functions on or before the beginning of the next fiscal year, as follows:

- (1) If operations continue as they are now, it will mean the overlapping between the Bureau of Public Roads and the State of many functions which will render the ultimate costs to be considerably higher and such costs, of course, will be reflected in either a higher cost to the taxpayer or less and poorer service to the public. This statement is made because in every case where there are overlapping operations, efficiency is considerably reduced and considerable confusion created.
- (2) The size of the highway construction program for the 1961 fiscal year will be several times larger than any previous program for highway construction work in the State of Alaska. The fact that it will be of unprecedented volume will require a considerably larger working force than the Bureau of Public Roads has at present in order to properly administer the program. It will also require the most efficient practices, procedures and organization possible. If the State does not take over promptly, the Bureau of Public Roads will have to increase its working force considerably so that the ultimate transition to state operation will be more involved and will cause greater confusion and disruption. The state should take over now and start hiring and training personnel who will be required to administer and operate such programs.
- (3) The state should organize and set up its accounting procedures immediately and start training people to keep the records necessary in connection with the operation of an adequate highway department and particularly, the bookkeeping and record keeping procedures required by the Federal Government for reimbursement to the state in connection with Federal-Aid Highway construction. The double bookkeeping that would be required if the state does not take over, will be costly - both to the state and the federal government.

*Copy to file  
Dan*

# Memorandum

STATE OF ALASKA  
DEPARTMENT OF PUBLIC WORKS

TO: Richard A. Downing, Commissioner

DATE December 23, 1959

FROM: L. D. Wilson, Highway Consultant

Page 2

SUBJECT: TRANSFER OF RESPONSIBILITY FOR ALASKA HIGHWAYS FROM U.S. BUREAU OF PUBLIC ROADS TO STATE OF ALASKA, DEPARTMENT OF PUBLIC WORKS.

- (4) It is the writer's firm belief that the people of Alaska are expecting to see early results from the expanded highway program. Unless early results are forthcoming, the people will, very likely, be critical of the state administration because irrespective of whose responsibility it would be to properly administer such a program, the state officials are the ones that the people will hold responsible. Therefore, the state should assume the full responsibility for such a highway program and take over its administration at the earliest possible date. If the State Division of Highways is to be held accountable by the people, it should have the authority and the ability which it can get only through full control of the program to take such steps as may be necessary at any time to correct any shortcomings.
- (5) The longer the date of taking over is delayed, the greater the highway problems will be and in direct relationship thereto, the overall cost to the State of Alaska will also be greater. By delaying such date of take-over, there will be greater confusion, created, greater disruption to employees-- both of the Bureau of Public Roads and of the State and in dissatisfaction among such employees. The writer does not believe that it is erroneous to state that the morale of the employees of the Bureau of Public Roads who realize that they are faced, sooner or later, with being transferred to state employment will deteriorate. The sooner that the state takes over, the sooner that high morale can be established among the employees and high morale among the employees of an organization is one of the essential elements to an effective and efficient organization.
- (6) Even though the state takes over all of the Bureau of Public Roads' people who are now employed in performing the functions which will be the ultimate responsibility of the state, more employees will be needed because of the size of the program. Training and recruiting of such employees should start at the earliest possible date and it can assist the state immeasurably to take over from the Bureau of Public Roads any of the trained employees they have and who can assist greatly in the training of new employees as they are recruited.
- (7) Policies must be established at the earliest possible date regarding many state highway matters, i.e., system, size, standards (both of maintenance and construction), policies with regard to maintenance in towns, design criteria, etc.

Memorandum

STATE OF ALASKA  
DEPARTMENT OF PUBLIC WORKS

TO: Richard A. Downing, Commissioner

DATE December 23, 1959

FROM: L. D. Wilson, Highway Consultant

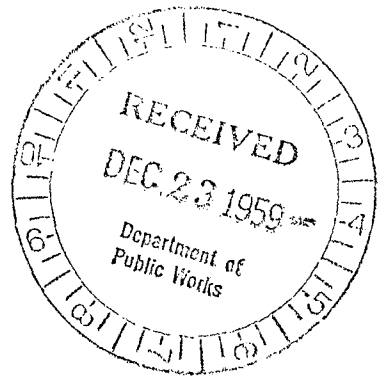
Page 3

SUBJECT: TRANSFER OF RESPONSIBILITY FOR ALASKA HIGHWAYS FROM U.S. BUREAU OF PUBLIC ROADS TO STATE OF ALASKA, DEPARTMENT OF PUBLIC WORKS.

This must be done by the state and the people of the state must be advised thereof before present practices can be established as policy. Failure to do so will make the task more difficult in the future and will be injurious to future plans and programs of the Department.

- (8) All state agencies should start out as nearly as possible together and should grow together under state established policies.
- (9) It is <sup>to</sup> the State's best interest to start an organization comprised of career state employees. The sooner this is done, the better for all concerned. Present Bureau of Public Roads employees are, for the most part, career Government employees and they, each, will be better off personally the sooner that they can be transferred to State employment and thus become State career employees.

The reasons set out above are, in the writer's opinion, but a few of the reasons why the Department of Public Works, Division of Highways, should be organized adequately as soon as possible and should take over from the Bureau of Public Roads on or before July 1, 1960, the functions which are normally performed by the state and which, regardless of the date of take-over, will ultimately be the responsibility of the Department of Public Works.



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*A good, clear case for 7/1/60*  
*DB*

P. O. Box 1961  
Juneau, Alaska

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10-00.1

September 15, 1959

Mr. R. H. Anderson  
General Manager  
The Alaska Railroad  
P. O. Box 7-2111  
Anchorage, Alaska

Dear Mr. Anderson:

The Alaska Omnibus Act provided for the transfer of certain functions pertaining to the highway program in Alaska, from the Bureau of Public Roads, to the State of Alaska. Land, equipment and other personal property formerly under the jurisdiction of Public Roads also has been transferred to the State of Alaska.

There is in existence a contract between your office and the Bureau of Public Roads (14-4-005-1677) for certain described lands in Anchorage, Alaska. There are structures on the land which serve functions and personnel performing the State's highway department work. The State of Alaska Department of Public Works will ultimately assume full responsibility of this activity, and it is most practicable for the State to utilize such installations. A similar situation exists at Fairbanks under your contract 1-3err-8454, as supplemented.

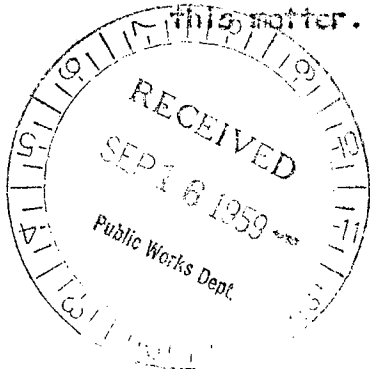
Please advise if your office would be receptive to entering into an agreement with the State of Alaska for such lands described in the above mentioned contracts. Of course, the Bureau of Public Roads would relinquish all rights to the land by terminating the cited contracts.

In this connection, it is our understanding that in the immediate future, the State will contact your office relative to this matter.

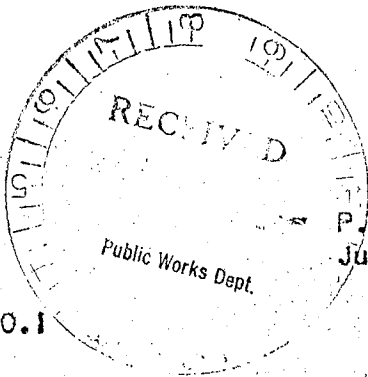
Very truly yours,

Wm. J. Niemi, Regional Engineer  
By:

M. W. Bales  
Administrative Officer



cc: Mr. Downing ✓  
Right-of-Way  
Mr. Cunningham  
Anchorage Division



P. O. Box 1961  
Juneau, Alaska

10-00.1

September 15, 1959

United States Smelting Refining  
& Mining Company  
Nome, Alaska

Gentlemen:

The Alaska Omnibus Act provided for the transfer of certain functions pertaining to the highway program in Alaska, from the Bureau of Public Roads, to the State of Alaska. Land, equipment and other personal property formerly under the jurisdiction of Public Roads also has been transferred to the State of Alaska.

There is in existence a lease between your company and the United States Government (CPR 10-254) for certain described lands in Nome, Alaska. There are buildings on the land which house functions and personnel performing the State's highway department work. The State of Alaska Department of Public Works will ultimately assume full responsibility of this activity, and it is most practicable for the State to utilize such installations.

Please advise if your company would be receptive to entering into a lease agreement with the State of Alaska for such lands described in the above mentioned lease. Of course, the Government would relinquish all rights to the land by terminating its lease.

In this connection, it is our understanding that in the immediate future, the State will contact your company relative to this matter.

Very truly yours,

Wm. J. Niemi, Regional Engineer  
By:

M. W. Bales  
Administrative Officer

cc: Mr. Downing  
Right-of-Way  
Mr. Cunningham  
U. S. Smelting & Mining Co.,  
75, Fed. St. Boston, Mass.  
Fairbanks Division

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Commissioner	✓	W
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*M. Downing*

Anchorage - 10-10.1  
Administrative Officers, Fairbanks - 10-20.1  
Juneau - 10-30.1

September 2, 1959

M. W. Sales, Administrative Officer,  
Juneau, Alaska

File: D&S 5 - Policies & Procedures

10-00.13

Acquisition of Federal Excess Property for the State of Alaska

The provisions of the Alaska Omnibus Act which required the transfer of property of the Bureau of Public Roads to the State of Alaska, do not include authority to acquire for the State, without exchange of funds, any property declared excess to the needs of Federal Agencies. Accordingly, the State can obtain Federal excess property only as provided by Administrative Memorandum 2-12, dated January 24, 1958.

Equipment and materials declared excess by any agency of the Government are listed in Excess Property Circulars issued by the General Services Administration. Regional offices of the General Services Administration will furnish copies of such circulars that contain items of highway equipment to Regional and Division offices of Public Roads, and to State Highway Departments, in the general area of the available property. Upon receipt from the State of Alaska, of an expression of interest in any items reported excess by the General Services Administration, the Regional Engineer will review the list and, if he concurs, immediately contact the Seattle Regional office of the General Services Administration with a request that the equipment be temporarily held, pending inspection by the State for transfer to Public Roads for retransfer to the State. If the State requests transfer after it has inspected the items, the Regional office will prepare a purchase order on GS-45, made out to the Holding Agency, as prescribed in the "Excess Personal Property Circular", describing the property.

Distribution of the numbered copies should be as follows:

COPY NUMBER

DISTRIBUTION

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Fiscal		
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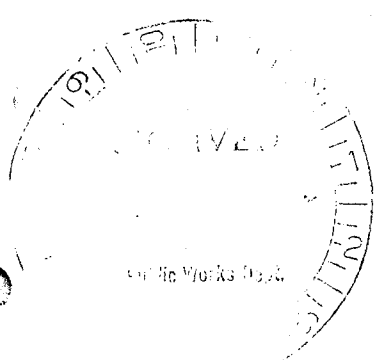
*Hubbing*

To Regional office of General Services Administration

Retain in Regional office of the Bureau of Public Roads

To BPR Division office (State) for its files

To BPR Div. office (State) for execution of "Property Received" box and return to the Regional Off. of Bureau of Public Roads when delivery has been completed.





In the block on Form CD-45 designated "Ship to", change the printed words to "Delivery to" and insert the name of the State Highway Department in c/o DPR Division office. After the articles have been described in the body of the purchase order, insert the following statement on the purchase order: "No expense for shipping, and no expenses for handling other than itemized herein shall be incurred for the account of the Bureau of Public Roads and no other amounts other than as indicated on this purchase order are payable from the appropriation indicated." Any shipments required shall be made on "Collect" commercial Bills of Lading. It will be necessary to convert the Commercial Bill of Lading and charge 620-GL 206 for an item of equipment and 620-GL 158 for material and supplies, until such time as the State Highway Department assumes this responsibility.

The purchase order should show the value plus maximum estimated handling cost as determined from the holding agency, and the coding symbol will be 100-10-49-32-0000. All purchase orders should be entered to the Regional office allotment ledger sheet.

The equipment or supply items will be taken up in the State memorandum control sheet by the Division, and the General Ledger Account by the Regional office.

The Regional office will bill the State for the cost of the material or equipment and the amounts received will be deposited to the credit of the appropriation. The General Services Administration has determined administratively that the fair value for property transferred to a State Highway Department will be in general, the fair value shown in the circular, but in no instances less than ten per cent of the acquisition cost. Fair value for use in purchase order will have to be obtained in each instance from the Regional office of the General Services Administration.

Form PR-370 will be issued allotting amounts to take care of the obligations incurred by the Region. Prescribed accounting procedures shall be followed.

Request from the State should include data necessary to complete the purchase order and the following statement:

- (1) A statement that the equipment or materials have been inspected.
- (2) A statement that the equipment or materials are needed for and will be used exclusively for highway purposes, and a further statement in the case of equipment that it will be so used throughout its useful life.

September 2, 1959

(3) A statement to the effect that the State will reimburse Public Roads for costs incurred by the latter in acquiring the property and transferring it to the State Highway Department.

(4) A statement that the State will assume full responsibility for inspection, transportation, servicing, storage and utilization of the equipment and will make all necessary arrangements with the holding agency for its delivery, and will bear all costs in connection therewith.

(5) A statement to the effect that the State will transport the items with its own facilities, or make necessary arrangements for and pay the cost of shipment.

(6) A statement as to the maximum amount to be included in the purchase order for handling by the holding agency as determined by the holding agency at time of inspection:

The Regional Engineer is authorized by Administrative Memorandum 2-12 dated January 24, 1958, to administer the program and to execute such documents as are necessary to transfer title to the State.

The Comptroller General of the United States has ruled that the Bureau of Public Roads may not acquire for transfer to a State Agency any excess Government-owned property needed by another Federal agency for its own use. Therefore, any request from the Bureau for acquisition of such property for transfer to the State cooperating agencies will not be approved by General Services Administration until it has been determined that the property is not required by any other Federal agency for its own use. Action by the State and the Bureau to apply for transfers of excess property may proceed, however, without waiting for such determination.

In general, property declared excess is retained in the classification for a period of 90 days from the date it is so reported to General Services Administration by the holding agency. If no Federal agency requests transfer of the property during this 90-day screening period, it is then reclassified as surplus. The 90-day period may be extended upon request through General Services Administration which will arrange with the holding agency for a suitable extension. Inasmuch as the right of a Federal Agency to obtain excess property is paramount to those of any non-Federal agency, private organization or individual, property that has been classified as surplus but not yet sold may be returned to the excess classification upon request to General Services Administration by a Federal agency. With respect to these principles, the Bureau of Public Roads, when acting to obtain property for transfer to States, may exercise the same rights as any other Federal agency.

It may occasionally happen that a Federal agency has in its possession property that is excess to its needs, but that has not been so reported to General Services Administration, or if requested has not yet appeared on any circulated list. If the State learns of property in this category and desires to obtain it, the same procedures as set forth above may be used if the General Services Administration finds that the property is in fact available, the transfer will be effected under the same principles and procedures as are applicable to other excess property.

Transfer to the State will be made at the acquisition cost to the Bureau, plus handling charges, if any.

In general, all contacts with installations holding excess property will be made by the State Highway Department. It should be understood, however, that the General Services Administration has no authority to deal directly with a non-Federal agency in effecting transfer of excess Government property. For this reason any contacts made by employees of the State Highway Department in accordance with the principles and procedures of this memorandum should be made as authorized representative of the Bureau of Public Roads. In some instances the holding Federal agency may refuse admittance to its installations for inspection or delivery purposes to persons not having evidence that they are authorized representative of a Federal agency. It may be necessary, or even desirable, for the Regional or Division Engineer to give the State employees who are to inspect or obtain delivery of the property a letter specifically designating them as authorized representatives of Public Roads for this purpose. Such letters may be issued on a one-time or a continuing basis as the circumstances justify. It may be desirable for a Public Roads employee to accompany State personnel in the initial contact and occasionally thereafter as the situation warrants.

The State Highway Department if it so desires, may submit to the Bureau for transmittal to the General Services Administration, lists of the types and quantities of excess Government property it desires to obtain. This procedure will assure that notice is given if and when such items of property become available.

The Regional Engineer will take such steps as are necessary to assure that there are no abuses of the program.

cc: Mr. Downing

26-00

Mr. C. W. Enfield, General Counsel  
Washington, D. C.

June 1, 1959

26-40

H. E. Cunningham, Western Counsel, E. CUNNINGHAM  
San Francisco, California

Report on Certain Matters Pertaining to Alaska Omnibus Bill

Following is a brief rundown on preparations for transition of certain BPR functions under the Omnibus Bill if enacted into law relative to Alaska Statehood. Presumption is made that final Act will conform generally to H.R. 7120.

INVENTORY

Property inventories relating to Sec. 21(a) of the Bill are proceeding according to schedule and will be ready by June 15, 1959, with provision for making them effective as of June 30, 1959; i.e., inventory of stocks and supplies to be incorporated as of latter date. Property to be retained by BPR for its own activities and functions has been separately determined and listed. Schedules for property to be transferred to State will be (tentatively) as follows:

Schedule A. Road systems. Identification of individual roads by termini, length (miles), and principal points supported by strip maps and vicinity maps. No flag trails will be included as no property interests appear involved, and no potential prescriptive rights. Pedestrian cable crossings will be included where built with ARC funds and still in existence. One tramway (Nome) is not to be included--understood to be owned by Alaska although was operated by ARC. Ferries (one remaining) will be included. No airports or airstrips are involved.

Schedule B. Real Property - buildings. This will cover all buildings and the lands they occupy. Complete records, with legal descriptions, are now available and details will be set forth in the form of individual attachments. Glennallen depot record will also show State School Board building which occupies portion of the depot grounds. Also include tank farm on Alaska RR property under lease (or easement), Valdez asphalt plant and Nome depot on leased property (10 years) subject to annual rent charge.

Schedule C. Personalty. Major breakdowns will be (1) depreciable property, (2) non-depreciable property, and (3) office furniture and supplies. These will follow current property accountability practices. Small tools and parts inventories will be identified generally such as "parts and small tools stock at Fairbanks depot". Control is by "bin" records. BPR records will show money value (as of June 30, 1959) but

such figure will be omitted in inventory schedule furnished to Alaska.

Schedule D. Miscellaneous real property. Included will be such items as the Copper River Railroad right-of-way including bridges thereon and cable crossing of river. This right-of-way is available for road purposes but not yet fully utilized by any road construction.

Schedule E. Miscellaneous personalty property. Included will be such items as the rails available, or as will become available, from the abandoned Copper River Railroad. Note: Shelters along flag trails provided with ARC funds have not been carried on property records. Their locations and condition are indefinite and it is considered that such items may be disregarded.

In addition to the foregoing properties are the following items (or categories) for handling in the manner indicated, but prior to July 1, 1959:

Custody by National Defense. Tank farm now situated on Ladd Air Force Base and serviced by Army pipeline. If not permissible to use for road purposes for work performed for State, should negotiate with local post commander to take over custody and jurisdiction of tank farm.

Properties to be considered for declaration as excess. Included will be (1) one apartment building at Fairbanks and two apartment buildings at Anchorage, also (2) two lots at Palmer donated to Federal Government not needed in reference to road functions. The latter requires removal of cloud on title from overlapping descriptions, now underway through correspondence.

Sources of material for road purposes. All of these are understood to be by permits or licenses according to available records. These will be listed for separate referral to the State as a matter of record. BFR will continue to exercise its privileges in reference thereto while performing work for the State.

#### CONVEYANCE OF PROPERTY; CONTRACTS

Concurrently with the completion of the aforesaid inventories will be the preparation of drafts of three instruments in cooperation with the State:

1. Conveyance of the properties listed in Schedules A through E to the State of Alaska under Sec. 21(a) of the Bill.
2. Contract between BFR and State under Sec. 44(c) for BFR to perform road building and maintenance for State on reimbursable

basis.

3. Grant of authority by State to BPR for BPR to have custody, control and jurisdiction over buildings, equipment and supplies necessary to carry on services and functions covered in the contract in preceding paragraph.

The foregoing documents and actions are premised on being prepared to operate entirely under Sec. 44(c) for the following principal reasons:

1. According to the language of Sec. 44(c), BPR would have no direct authority to contract with the State to perform any part of the Federal-aid program under said section until after the transfer or conveyance of the related properties to Alaska. The attachment to Mr. Allen's memorandum of May 15, 1959, to Mr. Niemi, expresses a similar view. While the language in Sec. 21, page 11, of the House Report suggests a contrary view that BPR could retain some of its property to perform functions "for which the State may contract under 44(c)", nonetheless the statement under Sec. 44(c), page 19, as to the authority of the head of a Federal agency who has transferred property to contract with the State is different and seems more consistent with the language of the Bill.

2. Unless such transfer is made before July 1, 1959, BPR will have lost certain authorities such as to maintain highways through operation of the repeal provisions, see Sec. 21(d), hence under the last clause in Sec. 44(c) which reads "of some or all of the functions authorized to be performed by it (BPR) in Alaska immediately preceding such conveyance or transfer" it would seem that such authority may not be revived. For example, if the transfer were not made until say September 30, 1959, it must be found that immediately preceding such transfer (September 29, 1959) BPR would not have the authority to maintain highways other than as may be created by Sec. 44(b) upon request of the Governor to the President. But 44(b) seems to have some hidden faults as will be discussed later.

3. Mechanics of operations under 44(c) would be relatively simple:

(a) State to advance to BPR a trust fund in sufficient amount to cover two or three months operating obligations of BPR. This money can come from transitional grant made to Alaska or from other Alaska funds.

(b) There would be charged against the Alaska trust fund BPR expenditures for F.A. work performed for Alaska under the Alaska - BPR contract, also for BPR administrative employees



needed in connection therewith below the general administrative level, the latter being financed from 3-3/4 percent funds.

(c) BPR to notify State monthly of charges against the trust fund. State will voucher BPR (Form PR-20) for Federal participating share chargeable to F.A. funds accompanied with request that it be credited to aforesaid trust fund.

(d) As trust fund diminishes by State's share of costs (including non-participating BPR administrative costs), State, upon request, will replenish said trust fund; as may be necessary

(e) Regular program and project approval procedures will be followed consistent with those prescribed in the F.A. Regulations and FFIs applicable to the other States. Regular project agreement form will be used, discontinuing special Alaska form. BPR will issue usual certificate of approval of P.S. & E., even though having prepared such papers with BPR forces, which will obligate (and expend) Federal-aid funds involved.

(f) BPR can enter into commitments to the full extent of the authorized programs (under the Alaska - BPR contract) and can operate with a trust fund sufficient only for current needs and time interval for vouchering and crediting of earnings to such trust fund from regular F.A. participating funds. This will satisfy the legal prohibition against creating obligations without having the money (or contract authorization) therefor.

(g) The Alaska - BPR contract will be at the operating level (interagency) and can be readily modified from time to time as the Alaska Highway Department is able to assume more functions.

PROBLEMS UNDER SEC. 44(b)

While the Governor may request the President that BPR provide road building and maintenance services and facilities, and naturally BPR should retain necessary properties in connection therewith, funds therefor must come from the transitional grants. This does not appear to authorize BPR to create obligations against regular F.A. participating funds as they are specifically reserved for reimbursing the State; furthermore there is serious doubt if BPR has authority to contract with the State to do such work for the State, without coming under 44(c) other than as may be considered to exist under BPR appropriation acts. And as stated, 44(c) requires prior transfer of property. Therefore BPR's services or facilities under 44(b) may be limited to the amount of money made available by the President from the transitional grants.

One way, under 44(b), for BPR to get around this hurdle is to arrange for construction contracts to be entered into in the name of the State similar to what is done in the case of National Park contracts. BPR would administer such contracts, but State would make contract payments. Thereafter State would submit vouchers (FR-20) to BPR for reimbursement of Federal-aid share of cost. However, the performance of surveys, designs and maintenance would not lend itself to this arrangement and the cost thereof would likely exceed the amount of funds that the President could make directly available to BPR from the transitional grants.

Another question is whether 44(b) revives (or can continue) services or functions, such as maintenance, the specific authority for which has lapsed by repeal under Sec. 21(d). In that regard the usual language included in Commerce appropriation acts may be sufficient.

While other avenues may be explored to operate under 44(b), the foregoing strongly indicates the advisability to bring the operations under 44(c) and to do so before July 1, 1959.

#### LAPSING OF OTHER AUTHORITY

Sec. 21(d) will also lapse the authority to use up unexpended balances of ARC funds under Interior Appropriations, substantial sums of which are either being held in reserve pending settlement of claims or have been recently released by settlement actions. In that regard please refer to Mr. Miami's memorandum of April 14, 1959, to Mr. Allen. Four claims are involved, one of which is before the Appeals Board. This will be covered by a separate memorandum on arrangements to protect these funds.

#### CONCLUSION

While much of the foregoing consists of general observations, the points are important and you may wish to comment on some of them. Meanwhile, as stated, preparations are continuing so as to be able to proceed under 44(c) if the Bill is enacted into law.

A conference was held in the National Engineer's office on the 29th attended by Mr. Richard Downing, Commissioner of Highway and Public Works Department, Mr. Floyd Goertzen, Commissioner of Administration, and Mr. Dave Price, Attorney, all of Alaska, and Messrs. Miami, Swick, Balos, Haag, and Cunningham of BPR. All of the foregoing matters, except expiration of ARC funds, were fully discussed in order that the State and BPR can be in a better position to proceed if and when the Bill is enacted into law.