

House - Public Works

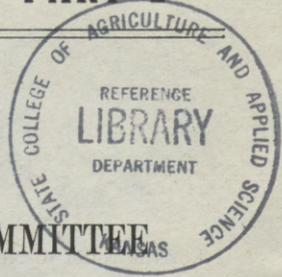
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# FLOOD CONTROL, RIVERS AND HARBORS MISCELLANEOUS PROJECTS—PART 2

GOVERNMENT  
Storage

[No. 85-15]



## HEARINGS BEFORE THE RIVERS AND HARBORS SUBCOMMITTEE OF THE COMMITTEE ON PUBLIC WORKS HOUSE OF REPRESENTATIVES EIGHTY-FIFTH CONGRESS

SECOND SESSION  
ON

H. R. 8103

To amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood-control work

H. R. 8652

To rescind the authorization for the Waldo Lake Tunnel and regulating works, Willamette River, Oreg.

S. 1003

To provide for adjustments in the lands or interests therein acquired for the Albeni Falls Reservoir project, Idaho, by the reconveyance of certain lands or interests therein to the former owners thereof.

S. 1785

Designating the reservoir located above Heart-Butte Dam in Grant County, N. Dak., as Lake Tschida, and for other purposes.

H. R. 9924 and S. 2964

Granting the consent and approval of Congress to a compact between the State of Connecticut and the State of Massachusetts relating to flood control.

H. J. Res. 633

To designate the lake formed by the Ferrells Bridge Dam across Cypress Creek in Texas as Lake O' the Pines.

H. R. 1965 and H. R. 13351

To authorize the Secretary of the Army in certain cases to undertake small river and harbor improvement projects not specifically authorized by Congress.

*Continued on next page*

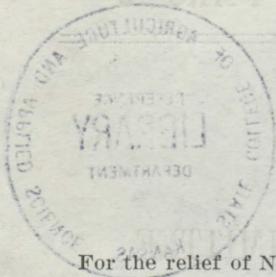
JUNE 30, JULY 14 AND 23, 1958

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FLOOD CONTROL, RIVERS AND HARBORS  
MISCELLANEOUS PROJECTS—PART 2



HEARINGS

Continued from title page

**H. R. 9983 and S. 3053**

For the relief of Nettie L. Richard, Florence L. Morris, Tessie L. Marx, and Helen L. Levi.

**H. R. 13342**

To provide for a survey of Parish Line Canal, La.

**H. R. 11248 and S. 3392**

Estimating the time for commencement and completion of the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill.

**H. R. 12916 and H. R. 12216**

Granting the consent and approval of Congress to the Tennessee-Tombigbee Waterway Development Compact.

**H. R. 12527 (identical to S. 2158)**

Relating to the procedure for altering certain bridges over navigable waters.

**H. R. 11697**

To amend the act of June 29, 1888, relating to the prevention of obstructive and injurious deposits in the harbor of New York, to extend the application of that act to the harbor of Hampton Roads.

**H. R. 4142**

To amend the act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill., in order to make certain changes in the authority of such commission, and for other purposes.

**H. R. 12479**

To authorize the modification of the existing project for improvement of Miami Harbor, Fla.

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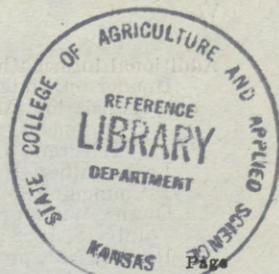
LETTERS ON PAPER WORK

The following letters are intended to be read in connection with the preceding chapters. They are written in a simple, plain style, and are intended to be read by the student who is studying the subject of paper work. The letters are written in a simple, plain style, and are intended to be read by the student who is studying the subject of paper work.

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## FLOOD CONTROL, RIVERS AND HARBORS MISCELLANEOUS PROJECTS—PART 2

MONDAY, JUNE 30, 1958

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON FLOOD CONTROL OF THE  
COMMITTEE ON PUBLIC WORKS,  
Washington, D. C.

The subcommittee met in room 1302, New House Office Building, Washington, D. C., at 10 a. m., Hon. Clifford Davis (chairman of the subcommittee) presiding.

Mr. DAVIS. The subcommittee will be in order. I should like to take up the bills first, gentlemen. The first one is H. R. 8103, introduced by the man in the chair. That was at the request of the Army. They sent me a communication. It is to amend section 5 of the 1941 Flood Control Act with respect to the emergency flood-control work.

Mr. Heller, you may make a brief statement as to what this does. (H. R. 8103 follows:)

[H. R. 8103, 85th Cong., 1st sess.]

A BILL To amend section 5 of the Flood Control Act of August 18, 1941, as amended, pertaining to emergency flood-control work

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Flood Control Act of August 18, 1941, as amended by Act of June 28, 1955 (33 U. S. C. 701n), is hereby further amended to read as follows: "That there is hereby authorized an emergency fund in the amount of \$15,000,000 to be expended in (a) planning, administrative, and supply activities in preparation for flood fighting and rescue operations, (b) emergency repair of any flood-control work threatened by an imminent flood, including such strengthening, raising, extending or other modification thereof as may be necessary in the discretion of the Chief of Engineers for the adequate functioning of the work for flood control during the anticipated flood, (c) flood fighting and rescue operations, and (d) the restoration of pre-flood condition of flood protection, with any minor improvements considered necessary, of any flood-control work destroyed by flood or damaged sufficiently that destruction, in the opinion of the Chief of Engineers, might occur during a flood for which it was designed to provide protection, or (e) the removal of debris and deposits from waterways to the extent necessary, in the discretion of the Chief of Engineers, to restore their pre-flood capacity for carrying flood flows. The Chief of Engineers is hereby authorized to determine requirements of local participation in aforementioned work and may accomplish at local expense such additional work as he may consider advantageous to the interest of flood control, and further is hereby authorized to receive from local interests the required contributed funds: *And provided further,* That when contributions made by local interests are in excess of the actual cost of the work contemplated and properly chargeable to such contributions, such excess contributions may, with the approval of the Chief of Engineers, be returned to the proper representatives of the contributing interests. The appropriation of such moneys as may be necessary for the initial establishment of this fund and for its replenishment is hereby authorized: *Provided,* That pending the appropriation to or replenishment of said fund, the Secretary of the Army may allot, from existing flood-control*

appropriations, such sums as may be necessary for the immediate prosecution of the work herein authorized, such appropriations to be reimbursed from the appropriation herein authorized when made. The Chief of Engineers is authorized, in the prosecution of work in connection with rescue operations, or in conducting other flood emergency work, to acquire on a rental basis such motor vehicles, including passenger cars and buses, as in his discretion are deemed necessary."

**STATEMENT OF FRANK HELLER, OPERATIONS DIVISION,  
CORPS OF ENGINEERS**

Mr. HELLER. Mr. Chairman, H. R. 8103 is a bill proposed by the Secretary of the Army upon recommendation of the Chief of Engineers. The purpose of this legislation is to amend the existing law, Public Law 99, 84th Congress, relating to emergency flood-control operations. The amendments are found necessary to overcome ambiguities that have been apparent in existing law because of misinterpretations made by local interests in connection with past emergency operations.

The proposed bill clarifies the term "flood emergency preparation" as used in existing law, establishes the proper relationship of existing provisions for strengthening, raising, and extending flood-control works.

Other amendments would authorize such channel clearance as may be required in the interest of flood control to restore water courses to their pre-flood condition and makes clear that local participation will be expected, particularly in connection with the restoration work when major improvements to non-Federal flood-control works are needed.

The Chief of Engineers considers the proposed amendments to be highly desirable and urges favorable consideration of the bill.

Mr. DAVIS. Are there any questions?

Mr. WRIGHT. Mr. Heller, this emergency work is undertaken by the corps, as I understand it, upon declaration by the governor of a State that an emergency exists as a result of a flood or an imminent flood. Is my understanding correct?

Mr. HELLER. That is normally the way we proceed, Mr. Wright. It varies, of course, from State to State, but I think particularly out in the western part our district engineers step in when the governor indicates that he needs assistance of the corps, that local interests cannot cope with the situation.

Mr. WRIGHT. And they do not need any individual authorization beyond this general type of authorization to go into action immediately on the existence of such a situation?

Mr. HELLER. That is correct, sir. There is no additional authorization. In fact, the Chief of Engineers has delegated down to the district engineer the authority to step right in whenever the district engineer feels he should in a flood fight.

Mr. WRIGHT. Thank you.

Mr. BALDWIN. Mr. Heller, as I understand this, this states down on page 2, line 13:

The Chief of Engineers is hereby authorized to determine requirements of local participation in aforementioned work.

Now, as a matter of practice—and I have seen the Chief's men in operation out in California in the flood we had this April—the corps

goes right in during the flood itself and does what has to be done without wasting any time to determine local requirements, which is proper in my opinion and essential in my opinion, because the job has to be done during an actual flood fight.

This would seem to imply we are saying the Chief of Engineers can go ahead and establish local participation requirements for all these things, A, B, C, D, and E in the bill.

Could we not spell out that sentence on line 13 to say, "The Chief is hereby authorized to determine requirements for those things that it is proper for him to determine requirements"? Restoration of pre-flood conditions, which happens after the flood is over; I can see the logic of that. Also E, and maybe one of the others, but I do not see it for C, where it says flood fighting. I would not want to see the Corps of Engineers stop at that point and determine local requirements.

Mr. HELLER. That is true, Mr. Baldwin. Now during a flood fight, when we find local interests cannot cope with the situation, we step in and do not require any local cooperation as such. That is, we do not say we will not go in unless you do certain things. We step in even though local interests are helping out in a flood fight, too.

I think it would be very proper if we made it clear that this local cooperation to be determined by the Chief of Engineers is limited to subsections B, D, and E, excluding A and C.

Mr. BALDWIN. Let me see if I can follow it up. On line 14, where it says, "The Chief of Engineers is hereby authorized to determine requirements of local participation in aforementioned work," could we replace the words "in aforementioned work" with some wording specifying the sections that would apply?

Mr. HELLER. That is correct, sir. We could make that read, "is hereby authorized to determine requirements of local participation in the work authorized in subsections B, D, and E" and it would go on "and may accomplish" and so forth.

Mr. BALDWIN. In subsections B, D, and E?

Mr. HELLER. That is correct, sir.

Mr. BALDWIN. Thank you. That is all, Mr. Chairman.

Mr. DAVIS. Does that satisfy you, Mr. Baldwin?

Mr. BALDWIN. Yes; that would be fine.

Mr. DAVIS. Let me ask you to check with Mr. Brennan on this language and to simplify things I will introduce a clean bill. Just check to be satisfied.

Mr. BALDWIN. All right.

Mr. DAVIS. That satisfies us over here, I am sure. It is just another contribution Mr. Baldwin has made to this committee. He is one of the most valuable members of the committee. I appreciate it.

Mr. BALDWIN. Thank you.

(H. R. 8652 follows:)

[H. R. 8652, 85th Cong., 1st sess.]

A BILL To rescind the authorization for the Waldo Lake Tunnel and regulating works, Willamette River, Oregon

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the authorization for the Waldo Lake Tunnel and regulating works, Middle Fork-North Fork, Willamette River, Oregon, contained in the Flood Control Act of 1950 (64 Stat. 163) under the heading "Columbia River Basin," is hereby rescinded.

Mr. DAVIS. Now we take up H. R. 8652 by Mr. Porter. This is to rescind authorization for Waldo Lake Tunnel and regulating works, Willamette River, Oreg.

Mr. Harry Adams will make a statement for the Engineers. Apparently the Army is favorable to this bill which would rescind this authorization. You may proceed, Mr. Adams.

#### STATEMENT OF HARRY ADAMS, CORPS OF ENGINEERS

Mr. ADAMS. H. R. 8652 would deauthorize the Waldo Lake project. This project was authorized by the Flood Control Act of 1950, and it consists of a tunnel which would provide for use of storage from the lake for downstream power purposes.

At the time of authorization the project was estimated to cost \$757,000. At the present time it costs \$1,010,000. The benefits have not increased since the time of authorization and, accordingly, it is not economically feasible at the present time. The Department of the Army offers no objection to the bill. The Bureau of the Budget has cleared our comments. They offer no objection to our comments.

That is all, Mr. Chairman.

Mr. DAVIS. Are there any questions by anybody? All right.  
(S. 1003 follows:)

[S. 1003, 85th Cong., 1st sess.]

AN ACT To provide for adjustments in the lands or interests therein acquired for the Albeni Falls Reservoir project, Idaho, by the reconveyance of certain lands or interests therein to the former owners thereof

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a), in order to provide for adjustments in the lands or interests in land heretofore acquired for the Albeni Falls Reservoir project to conform such acquisition to a lesser estate in lands now being acquired to complete the real estate requirements of the project, the Secretary of the Army is authorized to reconvey any such land or interests in land heretofore acquired to the former owners thereof whenever (1) he shall determine that such land or interest is not required for project purposes, (2) he shall have received a written statement from such agency or person as may be designated by the Governor of the State of Idaho that the reconveyance of such property is in the best interest of the State, and (3) he shall have received an application for reconveyance as hereinafter provided.

(b) Any such reconveyance of any such land or interest shall be made only after the Secretary (1) has given notice in such manner (including publication) as he shall by regulation prescribe, to the former owner of such land or interest, and (2) has received an application for the reconveyance of such land or interest from such former owner, in such form as he shall by regulation prescribe, within a period of ninety days following the date of issuance of such notice.

(c) Any reconveyance of land or interest therein made under this Act shall be subject to such exceptions, restrictions, and reservations (including a reservation to the United States of flowage rights) as the Secretary may determine are in the public interest.

(d) Any land or interest therein reconveyed under this Act shall be sold for an amount determined by the Secretary to be equal to the price for which the land was acquired by the United States, adjusted to reflect (1) any increase in the value thereof resulting from improvements to the land made by the United States, and (2) any decrease in the value thereof resulting from (A) any reservation, exception, restriction, and condition to which the reconveyance is made subject, and (B) any damage to the land or interest therein caused by the United States. In addition, the cost of any surveys necessary as an incident of such reconveyance shall be borne by the grantee.

(e) The requirements of this section shall not be applicable with respect to the disposition of any land, or interest therein, described in subsection (a) if the Secretary shall certify (1) that notice has been given to the former owner of such land or interest as provided in subsection (b), and that no qualified applicant

has made timely application for the reconveyance of such land or interest, or (2) that within a reasonable time after receipt of a proper application for reconveyance of such land or interest the parties have been unable to reach a satisfactory agreement with respect to the reconveyance of such land or interest.

(f) As used in this section, the term "former owner" means the person for whom any land, or interest therein, was acquired by the United States, or if such person is deceased, his spouse, or if such spouse is deceased, his children.

SEC. 2. The Secretary of the Army may delegate any authority conferred upon him by this Act to any officer or employee of the Department of the Army. Any such officer or employee shall exercise the authority so delegated under rules and regulations approved by the Secretary.

SEC. 3. Any proceeds from reconveyances made under this Act shall be covered into the Treasury of the United States as miscellaneous receipts.

SEC. 4. This Act shall terminate three years after the date of its enactment.

Passed the Senate August 5 (legislative day, July 8), 1957.

Attest:

FELTON M. JOHNSTON, *Secretary.*

Mr. DAVIS. We will take up S. 1003. This provides for reconveyance of certain lands acquired for the Albeni Falls Reservoir project in Idaho. Senate records show no objection by the Army or Budget. Mr. Milton Pearl is here. You may make your statement about this situation.

#### STATEMENT OF MILTON PEARL, REAL ESTATE DIVISION, OFFICE, CHIEF OF ENGINEERS

Mr. PEARL. Mr. Chairman, this bill or act, S. 1003, is for the purpose of authorizing the Secretary of the Army to reconvey to the former owners certain lands acquired for the Albeni Falls Reservoir in Idaho. It follows the general pattern of similar legislation that has been enacted on the recommendation of this committee at other projects where in the middle of acquisition the standard was changed when the Department of the Army and the Department of Interior, in October 1953, announced a new land-acquisition policy, the basis of which was to take fee title only in those instances where it was absolutely essential and to take in the other areas flowage easements. The Department of the Army has no objection to this legislation in connection with Albeni Falls because it is a project at which there was a change made while we were in the middle of acquisition.

I would like to call the committee's attention to two parts of this act, however, that are a little different from the phraseology or concept of previous acts that have been enacted here.

In the first place, on page 2, starting on line 1, it says that the Secretary must determine that such land or interest is not required for project purposes. We have previously recommended this terminology. However, there have been two laws that have been enacted that have used the phrase "public purposes."

In addition, the second proviso, starting at the end of line 2 requires that the Secretary of the Army shall have received a written statement from such agency or person as may be designated by the Governor of the State of Idaho that the reconveyance of such property is in the best interests of the State. This proviso has not been present in other legislation either enacted or recommended.

I call those to your attention to the extent that they deviate from the pattern that has been established.

Mr. DAVIS. The Army has no objection to the language?

Mr. PEARL. We have no objection.

Mr. SMITH. Why does the Army request that the word "project" be there instead of "public purpose"?

Mr. PEARL. Our interpretation of the word "public" has been that it means public purposes for the use of that project and that public and project are synonymous. However, there have been people who disagree with us and they think that public purposes means for any public purpose and therefore we have felt that if it was the intent to restrict the retention of fee title to land required for project purposes, the legislation should so state. If it was the intent to go further and retain lands for some other purpose that the legislation, as in the case of one reconveyance that is being authorized, the report of this committee indicated the intent as to the extent it would be followed.

Mr. BROWN. We have a situation in our area parallel to this. It is Bull Shoals Reservoir. The land was purchased by the Government. At Table Rock Reservoir nearby a flowage easement policy is followed. We ran into real difficulty down there in the Bull Shoals area in that these people want to and have leased back under certain circumstances the lands from the Government for pasturing, et cetera, and now they want it handled the way the Table Rock Reservoir is handled, a flowage easement basis.

Could the corps give me a reason why the Bull Shoals area people are denied that situation when the people out in Idaho are going to get it?

Mr. PEARL. I believe Bull Shoals was acquired some time ago. Is that correct, sir?

Mr. BROWN. Two or 3 years ago, perhaps 4 or 5.

Mr. PEARL. The position of the Department generally has been—I cannot speak of course for the Chief of Engineers and his recommendations to the Secretary of the Army in a specific case—but generally the position of the Department has been that we would interpose no objection to legislation for this purpose where the acquisition policy was changed while we were in the middle of acquiring land so that if we acquired at the same project flowage easements from one group of people, we should acquire them from everybody there.

From that standpoint, it is an equitable adjustment in the title interest that is taken.

However, if a project is completed under what is referred to as the old policy, or the policy that existed prior to October 1953, then we say that any land that is excess to project requirements will be reported to General Services Administration for disposal in accordance with the regular Federal Property and Administrative Services Act procedures.

This is the pattern that has been agreed upon by the Department of the Army with the Bureau of the Budget and General Services Administration.

Mr. BROWN. Are you telling me that, as far as the corps is concerned, you would not be in favor of selling this land at Bull Shoals Reservoir back to the people that owned it originally, or do you say that the GSA has to do it if it is done?

Mr. PEARL. Assuming that Bull Shoals was acquired under the policy by which we acquired fee title to all lands that were needed, if any land becomes excess to project requirements, we would then report it as such to General Services Administration for disposal in accordance with their procedures.

Mr. BROWN. There would have to be a flowage easement on this land. Would you consider it to be excess when there has to be flowage easement acquired?

Mr. PEARL. We have not considered it so, up to date.

Mr. BROWN. So, you are saying, as of the moment, where the old policy applied you are not in favor of going back and changing that policy?

Mr. PEARL. That is correct, sir.

Mr. WRIGHT. Where we state project purposes rather than public purposes, is it the intent of the corps to include as a project purpose, for instance, the creation of a public park? Would that be included as a project purpose?

Mr. PEARL. Under the laws, I think you are familiar, the Secretary of the Army and Chief of Engineers are directed to set aside certain public-access areas. Those, which would be limited in number, would be considered part of the project purposes. There is no question about that.

Mr. WRIGHT. But land leased back to people for grazing, for instance, has no bearing upon the purposes of the project, really, and that type of land would be available for reconveyance?

Mr. PEARL. Subject to the flowage easement; yes, sir.

Mr. WRIGHT. Thank you.

Mr. DAVIS. Are there any other questions?

Mr. BALDWIN. Does the Corps of Engineers have any preference between the wording "public purposes" and "project purposes"?

Mr. PEARL. We prefer the words "project purposes." It limits it, and we know what it means, and everybody agrees.

Mr. BALDWIN. Thank you.

Mr. DAVIS. Are there any other questions? We will pass this one. (S. 1785 follows:)

[S. 1785, 85th Cong., 1st sess.]

AN ACT Designating the reservoir located above Heart-Butte Dam in Grant County, North Dakota, as Lake Tschida, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the reservoir located above the Heart-Butte Dam in Grant County, North Dakota, shall hereafter be known as Lake Tschida, and any law, regulation, document, or record of the United States in which such reservoir is designated or referred to shall be held to refer to such reservoir under and by the name of Lake Tschida.

Passed the Senate August 5 (legislative day, July 8), 1957.

Attest:

FELTON M. JOHNSTON, *Secretary.*

Mr. DAVIS. Now, we come next to S. 1785. Senate records show no objection by the Army or Interior. This simply designates the reservoir above Heart-Butte Dam in Grant County, N. Dak., as Lake Tschida. Colonel Brennan here will make as statement.

#### STATEMENT OF J. R. BRENNAN, COMMITTEE STAFF

Mr. BRENNAN. Mr. Chairman, this is a rather unusual situation in that the project is a dam and reservoir of the Bureau of Reclamation. Normally, the designation of a name of the lake would go to the committee that is responsible for the construction of the project, which would be the Interior Committee. In this case, the bill was referred to the Senate Public Works Committee and not to the Senate Interior

Committee. The Senate Public Works Committee chose to act upon it last year. It has been referred to this committee, rather than to the Interior Committee, because it was referred to the Senate Public Works Committee.

I have checked with the Senate Public Works and with the House Interior Committee staffs, and the House Interior Committee would have no objection to our acting upon it.

It is one which is very strongly supported by the Department of the Interior. It concerns the naming of the lake above this Heart-Butte Dam, which is on the Heart River and is part of the Bureau of Reclamation project for the Missouri River Basin, Lake Tschida. Mr. Tschida, now deceased, was very active and a strong proponent of water-resource development in that area and is generally conceded to be the one who was most responsible for the construction of this reservoir.

The Interior Department made a very strong plea in favor of it and, in order to avoid all of the business that goes along with referral and because of the fact that the Senate Public Works Committee acted upon this last year, it was felt it would be appropriate for this committee to consider it.

Mr. DAVIS. Are there any questions from either side? Thank you, Colonel.

(H. R. 9924 follows:)

[H. R. 9924, 85th Cong., 2d sess.]

A BILL Granting the consent and approval of Congress to a compact between the State of Connecticut and the State of Massachusetts relating to flood control

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent and approval of Congress is given to the compact between the State of Connecticut and the State of Massachusetts relating to flood control. Such compact reads as follows:

“ARTICLE I

“The principal purposes of this compact are: (a) To promote interstate comity among and between the signatory States; (b) to assure adequate storage capacity for impounding the waters of the Thames River and its tributaries for the protection of life and property from floods; (c) to provide a joint or common agency through which the signatory states, while promoting, protecting and preserving to each the local interest and sovereignty of the respective signatory states, may more effectively cooperate in accomplishing the object of flood control and water resources utilization in the basin of the Thames River and its tributaries.

“ARTICLE II

“There is hereby created ‘The Thames River Valley Flood Control Commission,’ hereinafter referred to as the ‘commission’, which shall consist of six members, three of whom shall be residents of the commonwealth of Massachusetts; three of whom shall be residents of the state of Connecticut.

“The members of the commission shall be chosen by their respective states in such manner and for such terms as may be fixed and determined from time to time by the law of each of said states respectively by which they are appointed. A member of the commission may be removed or suspended from office as provided by the law of the state for which he shall be appointed, and any vacancy occurring in the commission shall be filled in accordance with the laws of the state wherein such vacancy exists.

“A majority of the members from each state shall constitute a quorum for the transaction of business, the exercise of any of its powers or the performance of any of its duties, but no action of the commission shall be binding unless at least two of the members from each state shall vote in favor thereof.

"The compensation of members of the commission shall be fixed, determined, and paid by the state which they respectively represent. All necessary expenses incurred in the performance of their duties shall be paid from the funds of the commission.

"The commission shall elect from its members a chairman, vice-chairman, and a clerk-treasurer. Such clerk-treasurer shall furnish to the commission, at its expense, a bond with corporate surety, to be approved by the commission, in such amount as the commission may determine, conditioned for the faithful performance of his duties.

"The commission shall adopt suitable by-laws and shall make such rules and regulations as it may deem advisable not inconsistent with laws of the United States, of the signatory states or with any rules or regulations lawfully promulgated thereunder.

"The commission shall make an annual report to the governor and legislature of each of the signatory states, setting forth in detail the operations and the transactions conducted by it pursuant to this contract.

"The commission shall keep a record of all its meetings and proceedings, contracts and accounts, and shall maintain a suitable office, where its maps, plans, documents, records and accounts shall be kept, subject to public inspection at such times and under such regulations as the commission shall determine.

#### "ARTICLE III

"The commission shall constitute a body, both corporate and politic, with full power and authority: (1) to sue and be sued; (2) to have a seal and alter the same at pleasure; (3) to appoint and employ such agents and employees as may be required in the proper performance of the duties hereby committed to it and to fix and determine their qualifications, duties and compensation; (4) to enter into such contracts and agreements and to do and perform any and all other acts, matters, and things as may be necessary and essential to the full and complete performance of the powers and duties hereby committed to and imposed upon it and as may be incidental thereto; (5) to have such additional powers and duties as may hereafter be delegated to or imposed upon it from time to time by the action of the legislature of either of said states, concurred in by the legislature of the other state and by the Congress of the United States.

"The commission shall make, or cause to be made, such studies as it may deem necessary, in cooperation with the Corps of Engineers, United States Army, and other federal agencies, for the development of a comprehensive plan for flood control and for utilization of the water resources of the Thames River Valley.

"The commission shall not pledge the credit of the signatory states or either of them.

#### "ARTICLE IV

"The Commonwealth of Massachusetts wherein is located the site of each of the following dams and reservoirs agrees to the construction by the United States of each such dam and reservoir in accordance with authorization by the Congress:

"(1) At East Brimfield on the Quinebaug River controlling a drainage area of approximately sixty-seven (67) square miles and providing flood storage of approximately eight (8) inches of run-off from said drainage area.

"(2) At Buffumville on the Little River controlling a net drainage area of approximately twenty-six (26) square miles and providing flood control storage of approximately eight (8) inches of run-off from said drainage area.

"(3) At Hodges Village on the French River controlling a drainage area of approximately thirty (30) square miles and providing flood control storage for approximately eight (8) inches of run-off from said drainage area.

"(4) At Westville on the Quinebaug River controlling a drainage area of approximately ninety (90) square miles and providing flood control storage for approximately two and five tenths (2.5) inches of run-off from said drainage area.

#### "ARTICLE V

"The State of Connecticut agrees to reimburse the Commonwealth of Massachusetts forty (40) per cent of the amount of taxes lost to their political subdivisions by reason of acquisition and ownership by the United States of lands, rights or other property therein for construction in the future of any flood control dam and reservoir specified in Article IV and also for any other flood control

dam and reservoir hereafter constructed by the United States in the Thames River Valley in Massachusetts.

"Annually, not later than November first of each year, the commission shall determine the loss of taxes resulting to political subdivisions of the Commonwealth of Massachusetts by reason of acquisition and ownership therein by the United States of lands, rights or other property in connection with each flood control dam and reservoir for which provision for tax reimbursement has been made in the paragraph next above. Such losses of taxes as determined by the commission shall be based on the tax rate then current in each such political subdivision and on the average assessed valuation for a period of five years prior to the acquisition by the United States of the site of the dam for such reservoir, provided that whenever a political subdivision wherein a flood control dam and reservoir or portion thereof is located shall have made a general revaluation of property subject to the annual municipal taxes of such subdivision, the commission may use such revaluation for the purpose of determining the amount of taxes for which reimbursement shall be made. Using the percentage of payment agreed to in this Article, the commission shall then compute the sum, if any, due from the State of Connecticut to the Commonwealth of Massachusetts and shall send a notice to the treasurer of each signatory state setting forth in detail the sum, if any, Connecticut is to pay and Massachusetts is to receive in reimbursement of tax losses.

"The State of Connecticut on receipt of formal notification from the commission of the sum which it is to pay in reimbursement for tax losses shall, not later than July first of the following year, make its payment for such tax losses to the Commonwealth of Massachusetts wherein such loss or losses occur, except that in case of the first annual payment for tax losses at any dam or reservoir such payment shall be made by the State of Connecticut not later than July first of the year in which the next regular session of its legislature is held.

"Payment by the State of Connecticut of its share of reimbursement for taxes in accordance with formal notification received from the commission shall be a complete and final discharge of all liability by the state to the Commonwealth of Massachusetts for each flood control dam and reservoir within that state for the time specified in such formal notification. The Commonwealth of Massachusetts shall have full responsibility for distributing or expending all such sums received, and no agency or political subdivision of the Commonwealth shall have any claims against the State of Connecticut or against the commission relative to tax losses covered by such payments.

"The two states may agree, through the commission, on a lump sum payment in lieu of annual payments and when such lump sum payment has been made and received, the requirement that the commission annually shall determine the tax losses, compute sums due and send notice thereof to the treasurer of each state shall no longer apply with respect to any flood control dam and reservoir for which lump sum payment has been made and received.

"On receipt of information from the Chief of Engineers, United States Army, that request is to be made for funds for the purpose of preparing detailed plans and specifications for any flood-control dam and reservoir proposed to be constructed in the Thames River Valley in Massachusetts, including those specified in Article IV, the commission shall make an estimate of the amount of taxes which would be lost to the political subdivisions of that state by reason of acquisition and ownership by the United States of lands, rights or other property for the construction and operation of such flood-control dam and reservoir and shall decide whether the flood-control benefits to be derived from such flood-control dam and reservoir, both by itself and as a unit of a comprehensive flood-control plan, justifies, in the opinion of the commission, the assumption by Connecticut of the obligation to make reimbursement for loss of taxes. Such estimate and decision shall thereafter be reviewed by the commission at five-year intervals until such time as the United States shall have acquired title to the site of such flood control dam or plans for its construction are abandoned. The commission shall notify the governor, the Members of the United States Senate and the Members of the United States House of Representatives from each signatory state and the chief of engineers as to the commission's decision and as to any change in such decision.

"On receipt of information from the Chief of Engineers that any flood control dam and reservoir is to be constructed, reconstructed, altered, or used for any purpose in addition to flood control, including those flood control dams and reservoirs heretofore constructed and those specified in Article IV, the commission shall make a separate estimate of the amount of taxes which would be lost

to the political subdivisions of the Commonwealth of Massachusetts by reason of acquisition and ownership by the United States of lands, rights or other property for construction and operation of such dam and reservoir in excess of the estimated amount of taxes which would be lost if the dam were constructed and operated for flood control only and the commission shall decide the extent to which, in its opinion, the State of Connecticut would be justified in making reimbursement for loss of taxes in addition to reimbursement for such dam and reservoir if constructed and used for flood control only. Such estimate and decision shall thereafter be reviewed by the commission at five-year intervals until such time as such dam and reservoir shall be so constructed, reconstructed, altered or used or plans for such construction, reconstruction, alteration or use are abandoned. The commission shall notify the governor, the members of the United States Senate and the members of the United States House of Representatives from each signatory state as to the commission's decision and as to any change in such decision.

"A signatory state may, in agreement with the commission and the Chief of Engineers, acquire title or option to acquire title to any or all lands, rights or other property required for any flood control dam and reservoir within its boundaries and transfer such titles or options to the United States. Whenever the fair cost to said signatory state for such titles or options, as determined by the commission, is greater than the amount received therefor from the United States, the State of Connecticut shall pay its share of such excess cost to said signatory state, such share to be determined by the commission.

"Whenever the commission shall not agree, within a reasonable time or within sixty days after a formal request from the governor of any signatory state, concerning reimbursement for loss of taxes at any flood control dam and reservoir heretofore or hereafter constructed by the United States in the Thames River Valley in Massachusetts, or concerning the extent, if any, to which reimbursement shall be made for additional loss of taxes caused by construction, reconstruction, alteration or use of any such dam for purposes other than flood control, the governor of each signatory state shall designate a person from his state as a member of a board of arbitration, hereinafter called the board, and the members so designated shall choose one additional member who shall be chairman of such board. Whenever the members appointed by the governors to such board shall not agree within sixty days on such additional member of the board, the governors of such signatory states shall jointly designate the additional member. The board shall by majority vote decide the question referred to it and shall do so in accordance with the provisions of this compact concerning such reimbursement. The decision of the board on each question referred to it concerning reimbursement for loss of taxes shall be binding on the commission and on each signatory state, notwithstanding any other provision of this compact.

#### "ARTICLE VI

"Nothing contained in this compact shall be construed as a limitation upon the authority of the United States.

#### "ARTICLE VII

"The signatory states agree to appropriate for compensation of agents and employees of the commission and for office, administration, travel and other expenses on recommendation of the commission subject to limitations as follows: The Commonwealth of Massachusetts obligates itself to not more than seven thousand (\$7,000) dollars in any one year and the State of Connecticut obligates itself to not more than five thousand (\$5,000) dollars in any one year.

#### "ARTICLE VIII

"Should any part of this compact be held to be contrary to the constitution of any signatory state or of the United States, all other parts thereof shall continue to be in full force and effect.

#### "ARTICLE IX

"This compact shall become operative and effective when ratified by the Commonwealth of Massachusetts and the State of Connecticut and approved

by the Congress of the United States. Notice of ratification shall be given by the governor of each state to the governor of the other state and to the President of the United States, and the President of the United States is requested to give notice to the governors of each of the signatory states of approval by the Congress of the United States."

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

Mr. DAVIS. Next is H. R. 9924, introduced by Mr. Philbin, which grants consent of Congress to a compact between the State of Connecticut and State of Massachusetts relating to flood control. The Senate records show no objection by Budget, Army, Justice, or Interior to S. 2964, the Senate companion bill. You will notice that Mr. Philbin, Mr. Seely-Brown, Senators Bush, Purtell, Saltonstall, and Kennedy are all interested in this legislation.

Are there any questions? Mr. Howard Cook is here. You may make a brief statement about it, Mr. Cook.

#### STATEMENT OF HOWARD COOK, CORPS OF ENGINEERS

Mr. COOK. This bill does two things. First, it provides for Connecticut to pay Massachusetts 40 percent of the taxes lost to Massachusetts because of the construction of Federal flood-control reservoirs in that State to reduce flood damages in Connecticut.

Second, it provides for the establishment of a Thames River Valley Flood Control Commission to make possible more effective cooperation between the two States, including the development of a comprehensive plan for flood control and water utilization in the Thames River Basin.

The compact is similar to the compacts for the Merrimack and Connecticut River Basins which received the consent of Congress in 1953 and 1956.

The Corps of Engineers favors prompt ratification of the compact, for the reason that 3 of the 4 reservoirs specifically covered by it are now under construction by the corps and the fourth is in the pre-construction planning stage.

Mr. DAVIS. It has passed the Senate on June 23 of this year. Are there any questions?

(H. J. Res. 633 follows:)

[H. J. Res. 633, 85th Cong., 2d sess.]

JOINT RESOLUTION To designate the lake formed by the Ferrells Bridge Dam across Cypress Creek in Texas as Lake O' the Pines

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the reservoir formed by the Ferrells Bridge Dam across Cypress Creek in Texas, authorized to be constructed by section 11 of the Flood Control Act of 1946, is hereby designated as Lake O' the Pines. Any law, regulation, map, document, record, or other paper of the United States in which such reservoir is referred to shall be held to refer to such reservoir by the name of Lake O' the Pines.*

Mr. DAVIS. We get to an important one. Mr. Patman introduced this to name the lake formed by Ferrells Bridge Dam across Cypress Creek, Tex., as Lake O' the Pines. They wanted action because, the 5th day of July, the Governor of Texas and the Speaker will be at the lake making speeches. It is the most important thing this morning. Is there any objection or any question about this?

## FLOOD CONTROL WATERSHED PROJECTS

Please turn to your agenda on the flood control watershed projects, Department of Agriculture. Under the law we have to approve these watersheds. We have one, the Elm River watershed in North Dakota, Mr. Krueger on the House side; Mud River watershed in Kentucky, Mr. Gregory on the House side; and Tramperos Creek watershed in New Mexico, Mr. Montoya. Mr. Wetzel from the Department of Agriculture is here.

Gentlemen, these resolutions have already been adopted in the Senate. The only reason we have this on our program this morning is to protect the integrity and interests of the House Members.

Mr. Wetzel, will you please make a statement in a general way about all three?

## STATEMENT OF JOHN H. WETZEL, SOIL CONSERVATION SERVICE

Mr. WETZEL. These three plans have been completed by the local organizations representing each of the watersheds. They have been agreed to by the Secretary of Agriculture. They are submitted to the Public Works Committees of the Senate and the House by virtue of the fact that there is 1 structure in each plan the capacity of which exceeds 4,000 acre-feet, according to the act that is the criterion for determining whether the plan shall be approved by the Agriculture Committees or the Public Works Committees of the Congress.

The three plans have already been approved by resolutions of the Senate. They are primarily flood-prevention plans. The only purpose other than flood prevention which is included in any of the three plans is the Mud River watershed plan in Kentucky in which the Kentucky Fish and Game Department, the State fish and game department, have planned and agreed to incorporate recreational water supply in the flood-prevention structure, that is, over and above the flood-prevention capacity in the structure.

The three plans have been approved by the governors of the respective States. Funds are available within the appropriation of the Department of Agriculture for the next fiscal year for carrying out the first year's program on each of the plans.

Mr. DAVIS. I am sure all of you want to keep Mr. Wetzel's name in mind because if you ever have people crowding you about a watershed project, he is the man to talk to.

Are there any questions from anybody on the committee about these?

Mr. MACK. These docket numbers, 6, 7, and 8, do they refer to the fact that only 8 projects of this type have been approved to date?

Mr. WETZEL. I believe that is right, sir. There have been five projects previously submitted to the Public Works Committees. In total there are now 100 operating projects which have been approved either by the Agriculture Committees or by the Secretary of Agriculture under his administrative authority.

Mr. MACK. There are only certain projects that involve works of construction that come before the Public Works Committee?

Mr. WETZEL. That is right. If one structure exceeds 4,000 acre-feet it comes before the Public Works Committee.

Mr. MACK. In nearly all cases the local contribution is far heavier than the Federal contribution; is that right?

Mr. WETZEL. I would not say far heavier, sir. The averages for the 100 projects are about 56 percent local and 44 percent Federal. Under the law the Federal Government is required to bear the entire cost of any structural measure for flood prevention. The local people bear the cost of installing land-treatment measures on watershed lands. The other purpose is agricultural water management on which there is about 50-50 cost sharing, drainage, and irrigation. Local people must bear the entire cost of all measures for such things as municipal and industrial water supply.

Mr. DAVIS. Thank you.

Mr. Schwengel will be interested in this comment. We had a pilot watershed in my part of the country and it is as romantic as I ever saw. This soil was eroding and just ruining, it was not worth a nickel. The first year they planted over a million pine seedlings. After they get started they just fly. These trees are filling in the great ditches and in a reasonable time they will cut that timber off and send it to the pulp mills. It is an absolute restoration of something which was not worth anything. It is one of the finest examples of conserving that I have seen. I wish we could do more of it and I wish we had more money for it.

Mr. MACK. Does the Department of the Interior have somewhat similar programs for watersheds?

Mr. WETZEL. I believe not, sir. The Department of the Interior has the Small Reclamation Projects Act, which operates in a similar fashion. However, it is limited to the primary purpose of irrigation.

Mr. MACK. You are familiar with the Chehalis River project in the State of Washington?

Mr. WETZEL. No, sir. There are about 5 there now, 2 of which are approved and 3 of which are up for approval at the present time.

Mr. MACK. I believe this was approved late last year.

Mr. WETZEL. That is probably under the Small Projects Act authority.

Mr. SCHWENDEL. I want to say I am very much interested in what you have said. I have a feeling that in the matter of flood control and in the matter of preserving America for future generations, there is not anything you can do of much more importance than preserving the topsoil of our land.

You refer to the 100 projects and those projects I assume are projects over 4,000 acre-feet that have to come to Congress for approval; is that right?

Mr. WETZEL. There are 100 projects in total approved for operation at the present time. The size of the watersheds must be under 2,500 acre-feet. There is no minimum size. The 4,000 figure which I have used is the capacity of any individual structure within the plan. If any one structure within the plan has a capacity exceeding 4,000 acre-feet, it must come to the Public Works Committee. If the plan contains a structure in excess of 2,500 acre-feet but less than 4,000 acre-feet, it goes to the Agriculture Committees. If the plan does not provide for a Federal cost in excess of \$250,000 and contains no structure greater than 2,500 acre-feet, the Secretary of Agriculture may

administratively approve that plan and need not come to Congress for approval.

Mr. SCHWENGEL. How many acres have you completed for the watershed program?

Mr. WETZEL. The average size of the 100 projects is roughly about 76,000 acres.

Mr. SCHWENGEL. Perhaps I am taking up too much time of the committee.

Mr. DAVIS. Perhaps he was not ready for the question.

Mr. SCHWENGEL. I would appreciate your furnishing me the information on the progress of the program.

I have a final question. Do you have any idea how long it would take to complete the needed programs in America?

Mr. WETZEL. In answer to your first question, I do have statistics on 94 of the 100 projects. Those 94 projects cover 4,644,000 acres.

There are various figures as to how many small watersheds there are in the country. One estimate is 16,000 small watersheds. There is another estimate of 12,000. The Department has not made an official estimate of the number of small watersheds in the country in view of the fact that the local people decide on which watershed they wish to seek help. It may be a large watershed or it may be a small watershed. However, we are geared at the present time to complete about a hundred of these watersheds each year, complete plans on a hundred of the watersheds each year out of the 16,000.

Mr. SMITH. Complete plans but not complete action on the watershed program?

Mr. WETZEL. That is right; the programs are set up for an average of 5 years. In other words, after the plans are completed and the money is made available to the local organization the scheduling of the program is an average of 5 years.

Mr. DAVIS. Without being facetious, it looks like 500 years.

Mr. SCHWENGEL. That is right. That is my point. It seems to me that we in the Congress and the people should become increasingly more aware of the problem and of the need because if our country is going to continue to be great it will have to continue to feed its people and it cannot feed its people with eroded soil.

Mr. WRIGHT. Mr. Byrne and Mr. Edmondson and I saw something we were impressed by. Last spring, during the southwestern floods a representative of the United States Soil Conservation Service appeared at the hearing we held with two large jars of water. One of these jars was full of water which had been taken during this flood coming into one of these soil conservation and flood control dams. When he shook it up it was absolutely full of silt and debris. Then he had in another jar water that had been taken as it had come out of this flood control dam running over the spillway but after the silt had been allowed to settle out. It was clear as crystal.

There are 33 of those little dams that have been constructed in what is known as the Clear Fork Watershed in my area, above Benbrook Lake, a Corps of Engineers' reservoir. It has been reliably estimated that the existence of these 33 upstream reservoirs by taking the silt out will probably double the life expectancy of the Corps of Engineers' reservoir. It is a magnificent job.

Mr. DAVIS. What will happen when all those reservoirs up above fill up with silt?

Mr. WRIGHT. I do not know, but the land treatment practices of the Soil Conservation Service are supposed to prevent that from happening.

Mr. BYRNE. We did see just what the gentleman from Texas outlined.

Mr. SCHWENDEL. How much money are we spending for this watershed program each year?

Mr. WETZEL. The appropriation for 1959 is \$25.5 million. However, that is not only for what we term the 566 program. It also includes the funds for the pilot watershed program which is winding up at the present time. So there is roughly about \$25 million.

Mr. BALDWIN. Could I ask one question on that? When you mentioned appropriations of \$25.5 million is the appropriation in one lump sum and do you make the determination as to how it is allocated among the various projects which have plans completed and are available and ready for further work?

Mr. WETZEL. That is right, sir. We receive a lump sum appropriation within the Department. So far it has been made available to the local organizations on a first-come, first-served basis in view of the fact that we have had adequate funds to cover all needs. However, we are rapidly reaching the point where there will have to be some other priority determination as to how to allocate the funds each fiscal year.

Mr. DAVIS. Thank you very much, Mr. Wetzel.

#### FAVORABLE FLOOD CONTROL RESOLUTIONS

Now, gentlemen, please refer to the last page, favorable control resolutions. If you will permit me to save time, I will go down the list with an explanation and if you have any questions, of course I will be delighted to have somebody answer them.

Mr. SMITH. To save you further time, if they are all favorable, if you have no views otherwise, I move we support them all.

Mr. DAVIS. That is fine.

Just hold that motion a second.

You will notice one indicates no increase. In other words, if we pass these resolutions favorably, we protect House Members in their sponsorship but it will in no sense increase the cost because they can be combined with the studies now underway.

Now, if you will look at No. 2, to the right of that, that means a duplication of the Senate resolution. If the Senate has already approved it, surely we must take care of the interests of our House Members.

Then I call your special attention to this great big one that Mr. Smith has called attention to. If you will recall last year, I promised my old friend, Hubert Scudder, positively we would approve that. He has retired from Congress, but he wants this. I like to keep my word. I hope you will go along with me. I hope after we approve these that we will get back on the track. You remember we agreed not to authorize without an awful lot of conversation any project totaling more than \$40,000. Now with this inflation and all,

may I recommend that we make that \$75,000 and if we have one over \$75,000, we will really get down and work on it.

Now you see Mr. Scudder and Mr. Teague on that Brazos River, those are the two people, and the other new ones are, with the exception of the Alhambra Creek in California, that is Mr. Baldwin, we cannot turn him down—the others range within the \$40,000 we established.

Do I have a second to Mr. Smith's motion?

Mr. MACK. Second.

Mr. SCHWENGEL. I was not aware of the Des Moines River. Can you tell me more about it?

Mr. DAVIS. What number is that?

Mr. SCHWENGEL. 881.

Mr. DAVIS. Des Moines River, Iowa. He wants a little more information on that, Colonel Brennan.

#### STATEMENT OF J. R. BRENNAN, COMMITTEE STAFF—Resumed

Mr. BRENNAN. That is a comprehensive study of the entire Des Moines River. Mr. Coad has been interested in that. We have a report from the Corps of Engineers in which they recommend favorably. Actually the Des Moines River has been pretty well covered as you know and the projects in the omnibus bill include Saylorville Reservoir. There has previously been authorized the Red Rock Reservoir. The flood-control plans for the Des Moines now includes the two reservoirs, assuming the omnibus bill succeeds in going through, and Des Moines local protection. There has been long standing a problem of flood control in the tributaries which is involved partly in the drainage proposition. It has been considered to be advisable to have an overall look at the entire basin again, primarily from the standpoint of determining what, if any, additional flood-control works, either dams or drainage improvements or channel improvements, might be advisable in the upper reaches.

Mr. SCHWENGEL. This Des Moines River goes right through my district. This is something new. I would like to withhold action on this.

Mr. DAVIS. Have the Army engineers any objection?

Mr. BRENNAN. They have no objection.

Mr. DAVIS. I do not see why it should be delayed.

Mr. SCHWENGEL. It looks like somebody should have seen me. It goes right through my district.

Mr. DAVIS. Off the record.

(Discussion off the record.)

Mr. BRENNAN. Mr. Coad has been interested in the particular reservoir project. He is concerned with the project called Tunnel Mill Reservoir, on the Boone River. That is now being considered by the engineers under other authority. We show cost of \$69,000 because there is authority for investigation now but we are not sure as to whether this new investigation might not result in additional cost so we let the \$69,000 appear.

Mr. SMITH. Was Mr. Coad's resolution involving the Des Moines River as a whole suggested to him by the engineers as a way to get this overall survey of his district best accomplished?

Mr. BRENNAN. Yes.

Mr. SMITH. And take into consideration all other problems of the river in relation to how his particular item in his district was handled?

Mr. BRENNAN. That is correct, sir. There is some question about the economic justification of the Tunnel Mill Reservoir project and the possibility of investigating the whole basin; in other words, considering that within the framework of the entire flood control and drainage proposition might improve the results of the survey.

Mr. SCHWENDEL. Mr. Chairman, I do not want to stand in the way of anything that may be worthwhile, so I will withdraw my objection and reserve the right to bring this question up in the full committee.

Mr. BALDWIN. Last year, as I recall, we had the last meeting at which we considered a group like this and there were a group of 4 or 5—Mr. Scudder was 1—which we passed them over because they were beyond the \$40,000. One involved a survey in Mr. Gubser's district of California. Should not that be included on this list because that was at that time cleared as far as I know and was on the list to be considered?

Mr. BRENNAN. That was the Santa Cruz?

Mr. BALDWIN. No; Santa Cruz is a river and harbors project. This is a flood-control survey. It was on the list and was among the 5 we deferred at that time because it was beyond the \$40,000. I think it was \$50,000. It was cleared at that time by the corps. We deferred it to give it further consideration.

Mr. BRENNAN. As I remember that was a high-cost study.

Mr. BALDWIN. About \$50,000.

Mr. BRENNAN. I will have to check our records. I think that is correct, that there is—

Mr. BALDWIN. I am sure it is pending because I discussed the matter with a member of the committee earlier.

Mr. BRENNAN. I will check it.

Mr. MACK. What is the value of the flood-control surveys that are now pending?

Mr. BRENNAN. It is approximately 1,000 surveys which are outstanding, both river and harbor and flood control. Total cost of all surveys is around \$25 million, of which more than half, around \$15 million, has been spent, leaving a residue of around \$10 million outstanding.

Mr. MACK. What was the appropriation this year?

Mr. BRENNAN. The appropriation this year, sir, in 1958, you mean? It was around \$8 million, covering all of general investigations of which about \$5 million or \$5½ million was for surveys, the remainder being for certain special investigations, engineering studies, completion of basic data, and that sort of thing.

Mr. MACK. At the current rate of appropriations all these surveys could be completed in a period of about 2 years?

Mr. BRENNAN. Yes, sir; that is correct; but the surveys apparently have been authorized about as rapidly as they are being completed. So the general figure we have been using is that the funds each year are sufficient to cover about 200 or roughly 20 percent of the total surveys which are outstanding.

Mr. SMITH. Funds appropriated this year exceeded the budget.

Mr. BRENNAN. The Appropriations Committee put in additional money for surveys this year.

Mr. SMITH. Nobody opposed that figure on the ground that it was higher than the budget on the floor, as I recall.

Mr. BRENNAN. I believe that is correct.

Mr. DAVIS. We all signed a letter this year urging more and the Appropriations Committee has cooperated, but, in addition to that, I think that the policy of this committee in holding down these resolutions has proven of great value now. We can see we are catching up. So many of these have already been approved by the Senate. We only have seven of our own over here.

Mr. McFALL. Mr. Chairman, may I inquire of Mr. Brennan, how do they select the surveys that are authorized for appropriations? Does the Corps of Engineers do it or how does the Appropriations Committee conclude that certain surveys shall have certain moneys?

Mr. BRENNAN. It starts with the district engineer who, each year, in the late spring or early summer, goes through a list of all the surveys he has outstanding, and he selects those which, in his judgment, should have priority. He knows he cannot put them all on the list because he knows there will not be that much money in the budget.

Then it goes to the division engineer, and he may take some of them out.

The division engineer's recommendation then goes to the Chief of Engineers who goes over them again and his staff examines the whole group in the light of the overall figure they think they can get. They usually wind up with a priority figure greater than the budget allowed.

That then goes to the budget, where the budget examiners look into it, along with their construction recommendations, about in October of each year, and usually the budget trims down the figure. They do not trim down specific surveys, but they say, "You have a total of so many millions and the budget should be so much," so it is up to the Engineers to reduce the amount.

Mr. DAVIS. I think they are doing the best they can, Mr. McFall.

Mr. SMITH. Of course, they always have a few that the Appropriations Committee wants.

Mr. BRENNAN. Well, the Appropriations Committee, of course, takes the final action. They appropriate a lump sum but, at the same time, they have available to them a list of the individual surveys on which this lump sum will be spent. They may, at their discretion, add surveys to the list, which they did this year. But, at least for the last several years, they have not taken any surveys out. It is a joint process.

Mr. McFALL. Thank you.

Mr. DAVIS. Any further questions?

If not, the committee will now go into executive session.

Mr. WRIGHT. Mr. Chairman, may I make a brief announcement?

Mr. DAVIS. Yes.

Mr. WRIGHT. Gentlemen, the water which is before you was flown from Fort Worth, Tex. It is the first jug of water to come out of the new \$6 million water-filtration plant, and they wanted it to come to this committee as a token of their appreciation for the splendid cooperation this committee has rendered to Fort Worth and environs.

And here, from the newspaper, is a picture of a couple of mermaids drawing this jar of water for shipment to us. I cannot guarantee that they came out of that water.

Mr. SCHWENDEL. May we drink a toast to the gentleman from Texas and express the hope that we may have a good deal more clean water in Texas and everywhere.

Mr. DAVIS. Yes. It is a good, clean, fine-tasting water, and we appreciate your kindness in bringing us this sample, because we certainly did have a time straightening that thing out.

Mr. SMITH. What do you sell this for in Dallas?

Mr. WRIGHT. We love Dallas and, when the millenium arrives, we will furnish some to Dallas, too.

Mr. SCHWENDEL. I could tell, from the taste of it, that it did not come from the Potomac.

Mr. DAVIS. The good Lord assisted this situation, because for a good while they have had plenty of rain and that quieted Messrs. Alger, Ikard, and Wright considerably. So, the Lord assisted the situation.

Mr. WRIGHT. That is right. Two years ago, we were on the heels of a 7-year drought, and I came pleading to this committee, and you were generous enough to let Fort Worth enter into an emergency agreement with the Corps of Engineers to use some of the water stored for navigation. Then, later, we had to come for help to stop the floods.

Mr. DAVIS. We will now go into executive session.

(The committee went into executive session.)

## FLOOD CONTROL, RIVERS AND HARBORS MISCELLANEOUS PROJECTS—PART 2

MONDAY, JULY 14, 1958

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON RIVERS AND HARBORS  
OF THE COMMITTEE ON PUBLIC WORKS,  
Washington, D. C.

The Subcommittee on Rivers and Harbors met on Monday, July 14, 1958, at 10 a. m., in room 1302, House Office Building, Hon. John A. Blatnik (subcommittee chairman) presiding.

Mr. BLATNIK. The Rivers and Harbors Subcommittee of the House Public Works Committee will please come to order.

The hearing this morning is to consider sundry bills still pending before the committee.

We will start off with the hearing on H. R. 13351, by Mr. Blatnik, and H. R. 1965, by Mr. Miller of Maryland, which are identical or closely similar bills which authorize the Secretary of the Army in certain cases to undertake small river and harbor improvement projects not specifically authorized by Congress.

(The bills referred to follow:)

[H. R. 13351, 85th Cong., 2d sess.]

A BILL To authorize the Secretary of the Army in certain cases to undertake small river and harbor improvement projects not specifically authorized by Congress

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Army is hereby authorized to allot from any appropriations heretofore or hereafter made for rivers and harbors, not to exceed \$2,000,000 for any one fiscal year, for the construction of small river and harbor improvement projects not specifically authorized by Congress which will result in substantial benefits to navigation and which can be operated consistently with appropriate and economic use of the waters of the Nation for other purposes, when in the opinion of the Chief of Engineers such work is advisable, if benefits are in excess of the cost.

Sec. 2. (a) Not more than \$100,000 shall be allotted for the construction of a project under this Act at any single locality from the appropriations for any one fiscal year; and the amount allotted shall be sufficient to complete the Federal participation in the project under this Act.

(b) Local interests shall provide necessary lands and rights-of-way for all projects to be constructed under the authority of this Act; in addition, the Secretary of the Army may require local interests to hold and save the United States free from damages due to the project. A State, county, municipality, or other responsible local entity shall give assurance satisfactory to the Secretary of the Army that such conditions of cooperation as are required will be accomplished.

(c) The Secretary of the Army may require non-Federal interests to share in the cost of the project to the extent that he deems that the recreational or otherwise local nature of the benefits should not be borne by the Federal Government, and such cost sharing may be effected through the type of participation provided in subsection (b) above or through the requirement of a cash contribution by local interests.

(d) Each project for which money is allotted under this Act shall be complete in itself and not commit the United States to any additional improvement to insure its successful operation, other than routine maintenance, and except as may result from the normal procedure applying to projects authorized after submission of preliminary examination and survey reports.

SEC. 3. Projects constructed under the authority of this Act shall be considered as authorized projects.

[H. R. 1965, 85th Cong., 1st sess.]

A BILL To authorize the Secretary of the Army in certain cases to undertake small river and harbor improvement projects not specifically authorized by Congress

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Army is hereby authorized to allot from any appropriations heretofore or hereafter made for rivers and harbors, not to exceed \$2,000,000 for any one fiscal year, for the construction of small river and harbor improvement projects not specifically authorized by Congress which will result in substantial benefits to navigation and which can be operated consistently with appropriate and economic use of the waters of the Nation for other purposes, when in the opinion of the Chief of Engineers such work is advisable, if benefits are in excess of the cost.

SEC. 2. (a) Not more than \$100,000 shall be allotted for the construction of a project under this Act at any single locality from the appropriations for any one fiscal year; and the amount allotted shall be sufficient to complete the Federal participation in the project under this Act.

(b) Local interests shall provide necessary lands and rights-of-way for all projects to be constructed under the authority of this Act; in addition, the Secretary of the Army may require local interests to hold and save the United States free from damages due to the project. A State, county, municipality, or other responsible local entity shall give assurance satisfactory to the Secretary of the Army that such conditions of cooperation as are required will be accomplished.

(c) The Secretary of the Army may require non-Federal interests to share in the cost of the project to the extent that he deems that the recreational or otherwise local nature of the benefits should not be borne by the Federal Government, and such cost-sharing may be effected through the type of participation provided in subsection (b) above or through the requirement of a cash contribution by local interests.

(d) Each project for which money is allotted under this Act shall be complete in itself and not commit the United States to any additional improvement to insure its successful operation, other than routine maintenance, and except as may result from the normal procedure applying to projects authorized after submission of preliminary examination and survey reports.

SEC. 3. Projects constructed under the authority of this Act shall be considered as authorized projects.

MR. BLATNIK. We have this morning Brig. Gen. John L. Person, Assistant Chief of Engineers for Civil Works. We welcome you, General. Would you give us a summary and your recommendations on this bill?

#### STATEMENT OF BRIG. GEN. JOHN L. PERSON, ASSISTANT CHIEF OF ENGINEERS FOR CIVIL WORKS

General PERSON. Yes, sir. The bill would provide authority for the Secretary of the Army in certain cases to undertake small river and harbor improvement projects not specifically authorized by Congress, with a limitation of not to exceed \$2 million for any 1 fiscal year.

In a report dated May 15, 1956, on a bill for a similar purpose, the Secretary of the Army recommended certain changes in that bill, and submitted to this committee a proposed substitute bill which the Secretary of the Army recommended at that time. The bill under consideration today is identical with the proposed substitute bill submitted

by the Secretary of the Army and, therefore, the Department of the Army is in favor of this legislation.

Mr. BLATNIK. The bill provides there is a limitation of \$2 million for any 1 fiscal year as the total amount for these small unauthorized river and harbor improvement projects, and the bill further provides there is a limitation of \$100,000 for any single project.

General PERSON. Yes, sir.

Mr. BLATNIK. We have had a policy of that type in existence for a long time in the case of flood-control projects, have we not?

General PERSON. That is right.

Mr. BLATNIK. What is the limitation in the case of flood-control projects not specifically authorized by Congress?

General PERSON. On small, unauthorized flood-control projects, the limitation is \$400,000 on any individual project.

Mr. BLATNIK. And what is the total for any 1 fiscal year?

General PERSON. I think \$10 million, sir.

Mr. BLATNIK. Any questions?

Mr. AUCHINCLOSS. I would like to ask the general if this means that the Army engineers may proceed with any individual project of \$100,000 or less, with a \$2 million overall limit; is that correct?

General PERSON. Yes, sir; that is correct.

Mr. AUCHINCLOSS. How did you happen to reach the figure of \$100,000?

General PERSON. Well, sir, we felt that this is a new program and that we should proceed rather cautiously and conservatively at the start. As you will recall, in the case of unauthorized flood-control projects the program started at a limitation of \$150,000 for any single project and it was after several years' experience with that program that the limitation was raised to \$400,000. We felt that, similarly, starting small unauthorized navigation projects we should start at a conservative level.

Mr. AUCHINCLOSS. General, you must come before this committee for a survey in an amount of \$6,000, must you not?

General PERSON. For a survey, yes.

Mr. AUCHINCLOSS. You must come before this committee for approval?

General PERSON. Yes, sir.

Mr. AUCHINCLOSS. Under this bill you would go ahead with any project if it is \$100,000 or less without the approval of this committee?

General PERSON. That is correct, sir.

Mr. AUCHINCLOSS. I submit, Mr. Chairman, that to me this is a surrendering of the rights and the duties of this committee in no uncertain terms, and I think it is something we should consider very carefully.

Mr. BLATNIK. Mr. Auchincloss, I am sympathetic with what your fears are; they are good fears, except I think in this case we are not surrendering any rights if I am correct, because the survey is the start of a new project, and no matter what it may cost, it may cost a few thousand or many thousands, there must be a survey and further detailed engineering studies are made to start the authorization. In this case we are doing on a smaller scale what has been done in the case of flood-control projects where surveys have been made and the projects approved in projects not to exceed in total \$2 million and single projects not to exceed \$100,000. That is to minimize the redtape and

paperwork required by the corps and to save the time of this committee.

Mr. BALDWIN. Will the gentleman yield?

Mr. AUCHINCLOSS. Do I understand the projects the Engineers may undertake are projects that have been approved by this committee, or may the Engineers proceed with any project within the limitations in the bill without approval of this committee?

General PERSON. It would be without the approval of the committee. If the project cost less than \$100,000 this resolution would authorize its construction without the approval of the committee.

Mr. BLATNIK. Would it have to be initiated before this committee first?

General PERSON. No.

Mr. BLATNIK. The Chair was in error, then.

Mr. AUCHINCLOSS. I do not believe the Chair is ever in error.

Mr. BALDWIN. I was just going to ask that question, because in the small projects bill in the case of flood control, the corps has the right to make at least a preliminary estimate to see if a project will have a feasible cost-benefit ratio, and then they have a right to go ahead and it never comes before this committee.

General PERSON. That is right.

Mr. BALDWIN. This bill just says "construction" but I assume from your testimony that you assume we imply the word "survey" as well as construction?

General PERSON. Yes. If this bill were passed we would interpret it as authorizing us to proceed the same as under Public Law 685 for small unauthorized flood-control projects.

Mr. BLATNIK. Mr. Scudder.

Mr. SCUDDER. This would permit you to proceed without specific authorization up to \$100,000 for a single project?

General PERSON. That is right.

Mr. SCUDDER. If this were primarily a recreational project local interests could put up a given amount of money and you would participate? In other words, this would permit you to put \$100,000 into a project that would cost half a million dollars?

General PERSON. Yes, sir.

Mr. SCUDDER. Is there any requirement that local participation would be required before the \$100,000 could be spent?

General PERSON. Yes, sir. It is provided that the local interests shall provide necessary lands, easements, and rights-of-way and hold and save the United States free from damages due to the project, and also that they must share in the cost by a cash contribution in the case of recreational or otherwise local benefits.

Mr. SCUDDER. It would seem to me that an authorizing resolution should be passed by this committee providing for a survey which would give the committee some control over the types of projects that are recommended.

Mr. AUCHINCLOSS. Mr. Chairman.

Mr. BLATNIK. Mr. Auchincloss.

Mr. AUCHINCLOSS. I have just one other question.

I see in the first paragraph of the bill the language:

That the Secretary of the Army is hereby authorized to allot from any appropriations heretofore or hereafter made for rivers and harbors, not to exceed

\$2,000,000 for any one fiscal year, for the construction of small river and harbor improvement projects not specifically authorized by Congress.

Does that mean that the Secretary of the Army can take money away from a project in my district in order to take care of some other district without the authority of Congress?

General PERSON. Technically it might be so construed, sir. Practically, of course, we would not utilize any funds unless they were specifically approved for the purpose of small unauthorized projects. That is the way we have operated under Public Law 685 in the small unauthorized flood-control projects. There is a line item authorized by the Appropriations Committees annually for the small unauthorized projects, and it is from that source we get the money. So although technically we probably could, practically we would not use any funds except those specifically authorized by the Appropriations Committees for these small unauthorized projects.

Technically our construction general funds are allotted in one lump sum and theoretically we could spend them any way we saw fit, but practically we expend those funds as we defend the individual projects before the Congress.

Mr. SCUDDER. No further questions.

Mr. BLATNIK. Any further questions?

Mr. McFALL. Yes, Mr. Chairman.

Mr. BLATNIK. Mr. McFall.

Mr. McFALL. General Person, with reference to the procedure that would be followed under this proposed legislation, which would be similar to the procedure under Public Law 685 that you referred to, as I understand it you would ask the Appropriations Committee for, let us say, \$2 million for the operation of this particular law. Is that correct?

General PERSON. Yes, sir.

Mr. McFALL. Then you would submit what, a letter, to the Appropriations Committee stating what projects you would use the \$2 million for?

General PERSON. Normally in our small flood control projects in our testimony each year we submit a list of the projects which we expect to take care of within the amount of the appropriation requested. That is not completely binding on us, but we do follow it very closely except there are instances where a project included in the list may fall out because of lack of local contribution or other factors.

Mr. McFALL. In that sense that procedure sets up the Appropriations Committee as the authorizing committee rather than this committee?

General PERSON. It might be so interpreted.

Mr. McFALL. They listen to your request and question you as to whether it is justified and what kind of projects it would be used for?

General PERSON. Yes, sir.

Mr. McFALL. So that there is a committee of Congress which would authorize or approve the expenditure of funds and that committee would be the Appropriations Committee?

General PERSON. Yes. They would know what projects we would select to be done from that sum.

Mr. McFALL. With reference to section 2 (a) on page 2 of the bill, it says:

Not more than \$100,000 shall be allotted for the construction of a project under this Act at any single locality \* \* \*

Would you tell me what that means? Does that mean a congressional district or what would the definition of "locality" be in that case?

General PERSON. It would mean, for example, a particular harbor or particular stretch of waterway. The reason for the restriction is to avoid any possibility of our building a \$2 million project \$100,000 at a time.

Mr. McFALL. In other words, it would be a self-contained unit in itself not relating to anything in the immediate vicinity?

General PERSON. That is right, and not requiring any further funds to make it fully operative.

Mr. McFALL. That is all, Mr. Chairman.

Mr. BLATNIK. Mr. Hull.

Mr. HULL. No questions.

Mr. BLATNIK. Mr. Miller is the author of H. R. 1965. Would you like to be heard, Mr. Miller?

Mr. MILLER. Yes, Mr. Chairman, might I be heard at this time?

Mr. BLATNIK. We will be very pleased to hear from you at this time.

#### STATEMENT OF HON. EDWARD T. MILLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

Mr. MILLER. Thank you, Mr. Chairman.

I think perhaps I could give the committee the benefit of some research and experience in connection with this legislation, and that is why I would like to be heard at this time while these bills are under consideration.

Actually, some 9 years ago I filed a bill aimed at accomplishing what this legislation is hoped to accomplish, and it has been in the mill and has been kicked around and discussed with a great many organizations. Admittedly it is a difficult problem, but I would like the committee to understand what in my opinion is the need and justification for some legislation of this sort.

I think it would be not only an economy but I think it would take a great deal of burden off this committee and off the Congress and off our local interests.

What inspired it is that I had at one time a project that involved a Federal expenditure of only \$8,000, but it was on the borderline; there was no local interest as strong as the navigation interest, and it took as much legislation to get that \$8,000 project approved as if we were going to start a great big improvement. We had to go through all the preliminary surveys and have this committee authorize that, and when the report was favorable there had to be an authorization bill, and it took almost 5 years for it to go through the mill and an emergency cannot be met when it takes 5 years.

Another problem, in rivers and harbors, as this committee knows, there is always a borderline as to whether fixing a channel that is a few yards or a half mile from some important harbor is a modification and can be handled by resolution, or whether it is a new project; and

if it is decided it is a new project, it has to go through the mill and it takes 5 years to get it through.

Another problem that develops and that is very hard to explain to one's constituents is that a major project or a project that has been entirely approved and has gone through the mill and apparatus is on the scene, it develops it would save a great deal of money in the future if that machinery could be moved a half mile somewhere at a cost of a few hundred dollars. Because of the lack of flexibility, even though the Corps of Engineers realizes it would have a large sum in the long run, they cannot move the machinery across the street because it has to be specifically authorized.

This legislation as it is now drawn—as I say, year after year for the last 4 or 5 sessions of Congress I have had some form of bill in attempting to get the approval of the Corps of Engineers and the Department and finally, in 1956, the report which is favorable for this bill was filed and I immediately filed the bill that had met with the Department's approval. I think that legislation of this kind would be highly desirable in the public interest, and I do not believe in the long run it would mean that the Congress was giving away any of its control, for this reason:

The Corps of Engineers always has its criteria. In making surveys they frequently have to get data and information regarding the entire area, and I just do not believe they would abuse their authority. I do not think they would ever put substantial funds in something that they could not justify as being very greatly in the public interest. Sometimes after hurricanes or sudden disturbances it becomes really very important to get quick action. But under the present system if it is a new project, as you gentlemen well know, you would just have to say that as far as Federal contribution is concerned you could not get the work done in less than 3 years if everything went well and the Corps of Engineers could go right to work on it.

I believe that a certain flexibility, coupled with the practice of this committee, which I am sure would require reports—I know in the Appropriations Committee, on which I serve, full reports on all these funds go before the committee for approval before anything is actually done—but this would mean you could do something in a matter of months rather than 3 or 4 years, and I believe it not only would give the public a great deal better service but it would take a lot of paperwork off the hands of the Congress, and this committee could still know what was going on, and the Corps of Engineers, as always, would cooperate with the committees of Congress.

As I say, I have had occasion to work with this problem now for 9 years, and, while I have no particular pride of authorship, I was delighted when I learned the chairman had introduced a similar bill. The bill was drafted by the Corps of Engineers after some discussion pro and con. Perhaps I am more familiar with the difficulties that arise because of the character of my district, where there are hundreds of small harbors, and a matter of \$10,000 or \$15,000 spent at a time it is needed will save many hundreds of thousands later on.

It seems we have to bring our rivers and harbors legislation in line to meet the problems, just as we have done in the case of our flood-control legislation.

I very respectfully urge this committee to give this legislation favorable consideration, because I believe it would fill a very strong need in many areas and I, for one, have never found the Corps of Engineers of the Army too liberal or too free in requiring the local contributions or the necessary values to justify the expenditures, and, after all, how much time can the Congress afford to spend considering a \$10,000 or a \$15,000 emergency proposition?

For those reasons I am very strongly in support of this legislation.

Mr. BLATNIK. We thank the gentleman from Maryland.

Any questions on my right?

Mr. McFALL. Mr. Miller, you are a member of the Appropriations Committee, and I gather from your conversation and from what I know of your work in Congress that you understand the procedures exceptionally well, but I would ask you a question seeking some knowledge on this that I do not have.

If this bill were passed, the procedure would be that these small projects up to \$100,000, a maximum of \$2 million in any 1 fiscal year, would be recommended by the engineers, and the Appropriations Committee would then determine what projects the money would be spent for? Is that correct?

Mr. MILLER. The subcommittee that handles that bill would receive the justifications for the projects that the Corps of Engineers would say they would need that money for in the coming year. Normally, in most of those instances, they submit more projects than the money requested would provide for, as the projects are subject to slippage due to the failure of the local interests to meet the requirement for local contributions, for instance, or failure to meet other criteria of the Corps of Engineers.

I know that, in most of the public-works justifications, when the Department comes before the Appropriations Committee they may ask for 75 percent of the money that would be required to take care of all the projects that they outline, because they say there is always bound to be something to prevent some of them from going through; but they always justify the line items, and one of the criteria that the Appropriations Committee always follows is that those projects must be authorized either by item by the legislative committee or they must be in a category that has been authorized with small discretion within the Department.

So, it would be looked at twice. I assume this committee would require a report on how this money was being expended and, while there might not be a legislative power to prevent its being used, I think the same thing applies as to other matters that come before our Appropriations Committee. I suppose the Department could build some projects that our committee did not approve, but, as a practical matter, they would not do it because they know it will be remembered at the next session of the Congress.

Mr. McFALL. My next question would be this: I suppose it is a matter of philosophy how these committees are made up. The Appropriations Committee is probably the hardest working committee in the Congress. I saw some of the work in the Civil Works Subcommittee, and the work you people do in that subcommittee is very detailed and very strenuous, and you have an exceedingly great amount of work to do.

I wonder; here we are putting upon you another function of determining whether or not these small projects should be built, in addition to your other functions. And I was wondering whether there could be a procedure whereby you would provide the money and the Public Works Committee would figure out which projects the money would be spent for?

Mr. MILLER. As I recollect it, in some of the recent rivers and harbors bills, did we not have a \$4 million fund set up in the last rivers and harbors bill for use on authorized projects of less than \$100,000 or \$150,000 that were approved by this committee?

Mr. BLATNIK. The figure was higher; \$400,000, I think, for a single project.

Mr. MILLER. It started out with a smaller amount, I think.

Mr. BLATNIK. It went to \$400,000.

Mr. MILLER. From the appropriation standpoint, the only difference between the handling of that \$4 million fund and this \$2 million would be that, instead of these projects having been all screened and approved—and, as you gentlemen know, there are a great many more than \$4 million of approved projects sitting in the hamper, but some are more urgent than others, and the limitation of \$400,000 per project gave the Secretary of the Army and the Corps of Engineers a discretion in picking those they considered the most urgent and of most value. This would be handled in a similar way, except it would provide a lower figure of flexibility.

As I say, some of these projects are as small as \$6,000 or \$8,000, but, if they are considered of sufficient urgency, the Corps of Engineers could get to work on them and report to this committee and to the Appropriations Committee the line items they were going to go ahead with. Without such a procedure, if an emergency arose, the only other procedure, even if it only involved a \$10,000 project, would be to start from scratch and have a preliminary survey and have this committee authorize that and, if the report was favorable, have an authorization bill, which usually takes 2 years, and then it would have to await the next session of Congress for a line-item appropriation.

I have known cases in my own district where, if the engineers could have had the contractor put in 1 more day's work, it would have avoided something that in a few years might cost \$100,000. It is a matter of flexibility. I would not want this committee to relinquish any of its control, but I think, with the relationship you have with the Corps of Engineers, it would not be a great burden to have someone ride herd on what is done with the \$2 million, and, if this committee authorizes \$2 million, the Appropriations Committee would appropriate it in a lump sum, keeping an eye on the line items.

You have to trust somebody somewhere and, if the Corps of Engineers recommended that \$50,000 be spent on such-and-such a harbor because of some emergency, I think every dollar would be very well spent.

Mr. McFALL. I would accept your statement on the need for flexibility, but it seems to me we are putting more and more work on an already overburdened committee, the Committee on Appropriations. Here we are piling more and more detail on them.

Mr. MILLER. I do not believe it would add more to their burden than the \$10 million fund we were just speaking of, because the Corps

of Engineers, in one sense, would be saying, "The Congress has authorized this in an omnibus bill or some other bill or it has met the criteria, you might say, for a magistrate's court rather than a court of record." I rather think it would be a labor-saving procedure, because I am sure this committee, without a great increase of its burdens, could have a report every 3 months or so as to how the funds are being spent, and, if this committee did not authorize the \$2 million, the Appropriations Committee would not appropriate the money.

I know of a small project that only involved \$75,000 of Federal funds, and it developed because of a storm; the main channel that led to it was blocked. So far as the local authorities were concerned, they had contributed their part and everything was a closed business, but when the machinery was there on the job, the Engineers said, "We are sorry, but we cannot remove the block," although it would have been a matter of only a day's work.

And so the \$75,000 of Federal funds and a considerable sum of local contribution went to building a harbor, and the door was closed to it because the block occurred about a mile away from where the harbor was. It would have been good business to have made it possible, probably within the same appropriation, for the machinery to have been moved, which, probably, would not have cost any more. The hard-and-fast rules, which are necessary on big projects, sometimes tie the hands of commonsense. It would have made good sense to have that bar removed, but it was not done until the private citizens in the locality got up the money and took it out.

I hold no special brief for the magic of the wording of these bills, but this is the best we have been able to work out, and I have consulted with the district engineers, and one of the people who worked on it was General Welling, who was at that time the district engineer in Baltimore, and this is the best we have been able to come up with, as of now. I believe it would be a constructive step, and, if it does not work out, this committee can say they do not want the \$2 million appropriated annually and that would settle it right there. Or, if it does not work out as hoped, they could modify it.

Mr. BALDWIN. Will the gentleman yield?

The suggestion that the gentleman from California, Mr. McFall, has made could be put in this bill the same way some years ago a provision was put in the legislation on surveys. It could be modified to say that any project under \$100,000 would become an authorized project upon approval by the House and Senate Public Works Committees. So, that is something that could be handled in the same way the surveys were handled some years ago, if that is the desire of the committee.

Mr. BLATNIK. The committee will discuss this further in executive session tomorrow.

Are there any further questions of the witness?

Mr. MILLER. Thank you very much, Mr. Chairman. I appreciate the opportunity of talking to you about it.

Mr. BLATNIK. Thank you for giving us the benefit of your experiences.

Mr. MILLER. Thank you.

Mr. BLATNIK. We will now take up H. R. 9983, by Mr. Boykin.

(H. R. 9983 follows:)

[H. R. 9983, 85th Cong., 2d sess.]

A BILL For the relief of Nettie L. Richard, Florence L. Morris, Tessie L. Marx, and Helen L. Levi

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Army shall convey all right, title, and interest of the United States in and to the two parcels of real property described in section 2 of this Act, for a consideration of \$27,120, to the following four individuals, as tenants in common: (1) Nettie L. Richard, Demopolis, Alabama, (2) Florence L. Morris, Demopolis, Alabama, (3) Tessie L. Marx, New Orleans, Louisiana, and (4) Helen L. Levi, Evansville, Indiana.

SEC. 2. The two parcels of real property referred to in the first section of this Act are more particularly described as follows:

(1) A tract of land being the east half of the east half of the northwest quarter of the southeast quarter and the north half of the west quarter of the northeast quarter of the southeast quarter of section 17, township 18 north, range 2 east, Saint Stephens meridian, Sumter County, Alabama, containing 15 acres, more or less, known as tract numbered A-194.

(2) A tract of land lying approximately in the west half of section 27, and west half of section 34 lying northeast of the Tombigbee River, and that part of northeast quarter of section 33 lying northeast of the Tombigbee River, in township 19 north, range 2 east, Saint Stephens meridian, Greene County, Alabama, containing 525 acres, more or less, and known as tract numbered B-224.

Mr. BLATNIK. H. R. 9983, by our very good friend, Mr. Boykin, is to authorize the Secretary of the Army to convey certain real property at Demopolis lock and dam project, Alabama, to heirs of the former owner. This is identical to S. 3053, which passed the Senate on June 23, 1958.

I know I speak for all committee members in saying that we are pleased to have Mr. Boykin with us, one of the former distinguished members of this committee. Had he remained on this committee, he would probably be chairman of the House Public Works Committee.

#### STATEMENT OF HON. FRANK W. BOYKIN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA

Mr. BOYKIN. Mr. Chairman, it just so happens that we do not have much to talk about, because everybody has agreed to this. Mr. Pearl is here representing the great Army engineers. This is just giving back to some of our people a little land which the Federal Government does not need.

I would like to say something about this. Mr. Blatnik has been down there many times. I was on this committee over 20 years ago, and sat here next to Mr. Mansfield. I see so many of our friends out there. I was here every day. He was crippled. We had to lift him down. He stayed here until he died. He allowed me to be chairman during the hearings on the St. Lawrence seaway. He was one of the finest gentlemen I ever knew.

The Government is getting some money back for something they did not need. They are giving these owners back some land in my great district. Everybody is for this. It went through. Mr. Milton Pearl has a little amendment, which amendment we accept. I would appreciate your voting this bill out.

Mr. BLATNIK. We have Mr. Pearl, of the Real Estate Division of the Office of the Chief of Engineers. Please give us a short explanation.

**STATEMENT OF MILTON PEARL, REAL ESTATE DIVISION, OFFICE,  
CHIEF OF ENGINEERS—Resumed**

Mr. PEARL. In the act of August 9, 1955, you may recall, the Congress authorized the revestment of certain interests in land at Demopolis lock and dam in Alabama. Pursuant to that act, some lands were made available for reconveyance to the former owners. However, in that act, as passed, the term "former owners" was defined as persons from whom any land or interest therein was acquired by the United States or, if such person is deceased, his spouse, or, if such spouse is deceased, his children.

One of the former owners whose land was made available for reconveyance died and left no spouse and no children surviving. But he did leave four sisters.

Mr. BLATNIK. What was his name?

Mr. PEARL. Mr. Milton H. Long. He had been notified on January 17, 1956, that the property that had been acquired from him was available for reconveyance. The property had been acquired at a cost of \$32,650. Under the formula of the act authorizing reconveyance, it was offered to him for the sum of \$27,120, which is the sum set up in the bill before you as the proposed price for the sale of this same land to the heirs who survived Mr. Long.

As I say, the only reason this is necessary is because that act provided only for the reconveyance to the former owners, the spouse, or children, and Mr. Long died leaving no spouse or children surviving.

Mr. SCUDDER. You say it cost \$32,650. How do you arrive at that cost? You bought the whole tract, did you not, for a dam site.

Mr. PEARL. We bought two tracts. We bought them for the combined price of \$32,650. Under the act authorizing reconveyance, the land is to be sold back to the former owners at the purchase price less the value of any reservations that the United States keeps or any damage to the property.

Mr. SCUDDER. What are the reservations the Federal Government keeps?

Mr. PEARL. In connection with these tracts, we have two, specifically. One is the right to flood the land, part of it permanently and part of it intermittently, in connection with the project. Also in connection with it we have a little access over one piece. So, it was estimated that there was damage against these particular parcels so that they now have a reduced value of \$27,120.

Mr. SCUDDER. In other words, you feel the Government has only received about \$7,000 benefit from this project?

Mr. PEARL. No, sir; on these particular tracts that are involved with this former owner. There were several thousand acres made available for reconveyance, and the same formula applied to them. On each particular tract, on each few hundred acres, it had to be computed separately as to what the value was of any continuing easement. The land we own in fee we continue to own, and that land is available for the project.

Mr. SCUDDER. I do not like to put my approval on the sale of property to named individuals at a price because they happen to be distant relatives of the former owner of the property. We are making a sale of real estate. We, as a committee, are approving a sale of real estate the value of which we have no idea—we have no idea how much value might have accrued to this property through Federal improvement.

I think before we approve legislation to sell property at a given price we should have an appraisal as to the value of the property we are selling. This is Government property. We have bought property for the Federal Government and we have impounded water, created a lake, and added to the recreational value of the property. Then we provide that some of this property may be sold back.

I would like to be assured that we are getting the full value of the property we are selling back. I read this bill and I have prepared an amendment to strike out the individual and have it sold to the highest possible bidder at public auction.

I do not want to sit as a member of a committee of Congress, representing the taxpayers, and approve a price to individuals. I would like to know the value before I vote to sell it for \$27,000. Is the Federal Government getting value received for this property? Do you have an appraisal on it?

Mr. PEARL. We appraised it only in accordance with the formula of the Revestment Act.

Mr. SCUDDER. Do you have an appraisal of the property to be sold?

Mr. PEARL. We did not appraise it as of today's value.

Mr. SCUDDER. I could never vote for a bill of that kind unless you can tell us what the property is worth on the market today. I most certainly would not agree to sell property to the heirs extending to the fourth or fifth generation. The individual from whom the property was purchased might be given consideration. But I think after this length of time the property should be valued at its present worth. You might then give the prior owners or their descendants the right to purchase.

Mr. PEARL. We are not asking for authority to sell this particular property. The only thing we are commenting on is a specific bill to take care of a specific situation on land that was made available for reconveyance to the former owners under an act that was passed after being reported favorably by this committee.

After we have completed the reconveyance of all lands made available under this act; if there are any other lands available for disposal as excess property, we would not dispose of them, the Corps of Engineers, and we do not want authority to dispose of them. If they are excess, we will report them as excess to the General Services Administration, and General Services Administration will dispose of the property in accordance with existing legislation.

To dispose of them in the manner you suggest does not require any legislation if we find the property is in excess. The only reason for the bill that has been introduced here is the fact that this property was made available for reconveyance to the former owners and only for that purpose. The former owner came in and said he would exercise his right to buy the property. We got a contract with the former owner, Mr. Milton Long, and before we could actually deliver the deed to him he died.

Under the law he was entitled to get the property conveyed back to him. But he died before the deed could be delivered to him. He had put up a deposit of over \$5,000 with us. We returned that deposit to the attorneys for his estate. He left no spouse surviving and he left no children; so that his heirs at law were not entitled to come in and succeed to his rights under the contract.

We said, we are sorry, we do not have the authority to convey it to either the estate or the heirs. This property is not available in any other context at the present time for disposal.

Mr. SCUDDER. How was the price you have set on this property arrived at? I have been in the real estate business all my life and I was real estate commissioner for the State of California for over five years. I have seen a lot of deals made. I want to be sure I know what I am doing before I vote on a bill conveying Federal property.

Mr. PEARL. The valuation was made by an appraiser on our staff in accordance with the formula established in the act of August 9, 1955, which was Public Law 312 of the 84th Congress. In that act it says that any land or interest therein reconveyed under this act shall be sold for an amount determined by the Secretary to be equal to the price for which land was acquired by the United States, adjusted to reflect (1) any increase in the value thereof resulting from improvements made thereon by the United States; the Government shall receive no payment as a result of any enhancement of value resulting from the construction of the Demopolis lock and dam project or (2) any decrease in value thereof resulting from (a) any reservation, exception, restriction, and condition to which the reconveyance is made subject and (b) any damage to the land or interest therein caused by the United States.

Now as to No. 1, there are no improvements that have been made on this specific property, so there has been no enhancement in value. By the act we are prohibited from taking credit for general enhancement because of the project itself.

As to No. 2, we have indicated that there is a decrease in value as against the original purchase price because of the imposition of a flowage easement, which we reserved to ourselves in any deed we gave, if we had given it to Mr. Long as the former owner or if this bill is enacted authorizing sale to his heirs at law.

As to any damage caused by the United States, the damage would have been caused by trees we removed in order to have access for the project.

Mr. SCUDDER. You say your engineers have looked into it, and according to the law we have passed you cannot increase the cost because of improvements that have been made that might enhance the value of the subject property. Is that right?

Mr. PEARL. That is correct, no general enhancement because of the project.

Mr. SCUDDER. Of course if there is a disadvantage, nobody would want it. I think the law is faulty, but if you say your engineers have arrived at a proper figure for this property, I am inclined to take your statement to that effect.

I do not like to be a party in selling Government property that has been increased in value by a Federal improvement unless proper consideration is given to the effect of the improvement to the balance of the property.

If you say that has all been done, you have fixed the reasonable price, I will go along.

Mr. PEARL. We have fixed the reasonable price in accordance with the law that authorizes sale to the former owner only. It is up to this committee. You have stated it very well, sir, in focusing attention to the particular issue, of whether or not you will adopt that formula in authorizing a sale to the heirs of the former owner. That is the sole question that is really before this committee.

Mr. BLATNIK. Are there any further questions? Mr. Boykin.

Mr. BOYKIN. That man did not want to sell his land, it is not near a city, it is in a swamp. He was growing timber. I have been up there myself with the Army engineers, not one time but dozens of times, not on this particular piece because, for instance, one time they wanted the mineral rights. We did not think the Government ought to have it. They have iron, oil, et cetera. All they needed was land. We got them to give that back.

I have been in the real-estate business since 1904. We took this man's land. We have a law to give it back to the man. He put up his money. He died. We have to give it to his heirs, I think. They did cut the timber and did not want it cut, did not get what it is worth. The Army engineers have appraised it and it is not worth that much, I do not think. But it is an old family that wants to try to keep that property.

I think this is one of the fairest things I have ever known. The Army engineers are pretty fair. That passed the Senate. They looked into it thoroughly. I have been there with them when they did appraise it. I went down with two different resident engineers, Colonel Fox and Colonel Bisco. I would not pay that much for it. Nobody else would. On my land I would charge more. You are a good real-estate man. So would you. This is very just.

Mr. AUCHINCLOSS. When did the Government acquire this land?

Mr. PEARL. 1953.

Mr. BALDWIN. It flooded the land around there. Most of this land was condemned. Now these people are trying to get back what is left. It is a very little bit left, going to the former owners. The man died trying to get it back. It goes to his heirs. We have been doing this ever since I can remember. I think it is the fairest thing in the world.

Mr. SCUDDER. Was the land not subject to flood before they took it over?

Mr. BOYKIN. I do not know whether it was or not. It could have been. This dam they put up does flood it. What they want is egress and ingress right. They have cut this man's timber. There is very little difference in what they paid and the price.

Mr. SCUDDER. What did the Government pay for it?

Mr. BOYKIN. \$32,000. He wanted \$50,000.

Mr. SCUDDER. How many acres were in the tracts?

Mr. BOYKIN. Five hundred-and-some-odd.

Mr. SCUDDER. In all?

Mr. BOYKIN. Thousands of acres.

Mr. SCUDDER. They paid \$32,600 and we are selling it back—

Mr. BOYKIN. For twenty-thousand-some-odd. After flooding some of it, cutting timber, and reserving right of egress and ingress.

Mr. SCUDDER. Are there any salt mines there?

Mr. BOYKIN. No. I would be after it myself.

Mr. SCUDDER. Is there any drilling for oil?

Mr. BOYKIN. No.

Mr. SCUDDER. How about mineral rights?

Mr. BOYKIN. The Government does not get mineral rights.

Mr. AUCHINCLOSS. Do you know of anybody else who wants this?

Mr. BOYKIN. The owners have to have the refusal. Those neighbors would not try to take that old family's land. They fought so hard to keep it.

Mr. AUCHINCLOSS. You do not know of anybody else who wants it?

Mr. BOYKIN. Neither do the Army engineers. This is really something that should be done and something that has been gone over very carefully by the other body and by the Army engineers who we have to listen to in this. I find them very fair. They passed it over there. The Army engineers want a little amendment which we agreed to. Is that right?

Mr. PEARL. Yes, sir; the amendment would allow us to insert these restrictions.

Mr. BOYKIN. It is a very small matter but very important to a lot of people in that part of the country. Thank you.

Mr. BLATNIK. Thank you.

Mr. SCUDDER. Are they prepared to tell us about the amendment?

Mr. BLATNIK. The Chair understands the amendments are satisfactory to the sponsor and the Senate bill, S. 3053, as passed by the Senate incorporates those amendments.

Mr. PEARL. That is right.

Mr. BLATNIK. Mr. Boykin, reference is made to the amendments which are incorporated in the Senate bill S. 3053. I understand you have no objection?

Mr. BOYKIN. No objection whatsoever. I told the Army Engineers that. They all want to cooperate and help. They are willing to pay for this property in cash.

Mr. BLATNIK. I believe it is just a technical amendment to change the title.

We will proceed to the next bill, H. R. 13342, by Mr. Boggs, of Louisiana, a bill to provide for a survey of Parish Line Canal, La. (H. R. 13342 follows:)

[H. R. 13342, 85th Cong., 2d sess.]

A BILL To provide for a survey of Parish Line Canal, Louisiana

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army, acting through the Chief of Engineers is authorized and directed to cause a survey to be made of the Parish Line Canal, Louisiana, with a view to determining the feasibility of a navigation channel in the Parish Line Canal lying west of and contiguous to the Upper Protection Levee of Jefferson Parish, Louisiana, and running parallel to the boundary line between Jefferson Parish and Saint Charles Parish, Louisiana, and running northward from the rights-of-way of the Illinois Central Railroad to Lake Pontchartrain.*

Mr. BLATNIK. General Person, will you explain this bill to us?

**STATEMENT OF BRIG. GEN. JOHN L. PERSON, ASSISTANT CHIEF OF ENGINEERS FOR CIVIL WORKS—Resumed**

General PERSON. This bill would authorize a survey to be made of the Parish Line Canal, La., to determine feasibility of a navigation channel. There was a bill introduced, H. R. 10668, introduced Febru-

ary 13, 1958, and in his comments on that bill the Secretary of the Army said that the Department has not made a survey to determine whether improvement and maintenance of the canal as proposed in this bill is advisable and no authority exists for making such survey. In absence of a survey report on the proposed works the Department of the Army is not in position to comment on H. R. 10668.

Mr. BLATNIK. Are there any questions?

The present bill, H. R. 13342, provides the authority to make that survey. It is estimated the survey will cost \$15,000 and require about 1 year to complete.

Mr. BLATNIK. Are there any questions?

Mr. AUCHINCLOSS. I did not hear what you said about the cost of this survey.

General PERSON. Approximately \$15,000, sir.

Mr. BALDWIN. General, is this a type of survey that requires actual passage of a bill by Congress as distinct from being approved by the House and Senate Public Works Committees?

General PERSON. Yes, sir; because there is no report close enough to this area on which to base a review study.

Mr. BALDWIN. This would normally be the type of thing we include in the omnibus bill; is that right?

General PERSON. Yes, sir.

Mr. BLATNIK. If there are no further questions, thank you, General Person.

We will take up H. R. 11248, by Mr. Chipperfield, of Illinois, similar or identical to S. 3392 passed by the Senate, June 23 of this year, to establish time for commencement and completion of reconstruction, enlargement, and extension of bridge across Mississippi River at or near Rock Island, Ill.

(H. R. 11248 follows:)

[H. R. 11248, 85th Cong., 2d sess.]

A BILL Establishing the time for commencement and completion of the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Illinois

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first section of the Act entitled "An Act authorizing the city of Rock Island, Illinois, or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Illinois, and to a place at or near the city of Davenport, Iowa," approved March 18, 1938, as amended by the Act entitled "An Act authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Illinois", approved July 11, 1956, is amended by adding at the end thereof the following new subsection:*

"(c) The reconstruction, enlargement, and extension of such bridge and its approaches pursuant to subsection (b) of this section shall be commenced not later than July 1, 1960, and shall be completed within three years after said date."

Mr. BLATNIK. We have Mr. Chipperfield with us this morning. Would you like to have Mr. Earl Dominick of the Operations Division of the Corps of Engineers testify first?

Mr. CHIPPERFIELD. Yes, Mr. Chairman.

**STATEMENT OF EARL DOMINICK, OPERATIONS DIVISION, OFFICE,  
CHIEF OF ENGINEERS**

Mr. DOMINICK. The act of Congress approved July 11, 1956, which was volume 70, Statutes, page 520, authorizes the city of Rock Island, Ill., to reconstruct and enlarge the bridge across the Mississippi River from Rock Island to Davenport, Iowa, and to reconstruct, enlarge, and extend the approaches to the bridge.

In that public law there was no time limit for commencing and completing construction. This bill would merely provide a time limit of July 1, 1960, to commence construction and 3 years later to complete construction.

Mr. BLATNIK. Is there any cost to the Federal Government?

Mr. DOMINICK. No, sir; this is a toll bridge.

Mr. BLATNIK. Are there any questions?

Mr. SCHWENGEL. I should like to say I have been working with the Rock Island people on this because this involves people on my side. We did have some problems at one time. I objected in behalf of the people I represent but we have reached an understanding with the people and I ask unanimous consent to insert in the record certain letters which explain this and indicate our agreements and understandings.

Mr. BLATNIK. The Chair has discussed on several occasions this problem with the gentleman from Iowa. He consulted with the parties interested back home. I want to extend my appreciation for the cooperation received from the gentleman from Iowa. We have sundry correspondence between the gentleman from Iowa and the persons interested. Without objection, the correspondence will be included at this point in the record.

(The correspondence referred to follows:)

JUNE 12, 1958.

Mr. RAY OSTERMAN,  
*President, Rock Island Chamber of Commerce,  
Rock Island, Ill.*

HELLO RAY: Received your letter of the 11th, this morning. Thank you.

Paragraph 2 is written according to our understanding of recent date. Paragraph 1 you mention that the Commission agrees to limit construction at the Seventh Avenue and Third Street. You will recall that the Bureau of Roads has approved Third Avenue and Seventh Street with some slight modification which is pointed out in a letter to me of May 29, as a limit that could justifiably be approved with the understanding that we could include all costs to 11th Street Exchange in the area of 3d Avenue and 9th Street. In my letter of the 6th, to you, I have suggested that we accept the decision of the Bureau of the Roads with further modification that they may approve and, of course, I will fulfill the terms of my agreement on that.

In talking to members of the staff of the Bureau of Roads yesterday, I was told there was no change from that decision, so based upon that assumption I am taking your letter, the letter from Bureau of Roads of the 29th, the letter from the highway commission from Iowa, and the letter from the highway commission of Illinois and asking that it be made part of the record in the report to be filed by the committee on the Chiperfield bill, No. 11248. I will ask for immediate consideration of this bill by unanimous consent and when the chairman of Public Works Committee recognizes me for that purpose.

Again, I want to assure you it has been a pleasure to have the opportunity to work with you on this matter and I am happy to note that progress will be made to obtain better access and a more adequate approach for the Rock Island Centennial Bridge.

Sincerely yours,

Congressman FRED SCHWENGEL.

ROCK ISLAND CENTENNIAL BRIDGE,  
*Rock Island, Ill., June 11, 1958.*

HON. FRED SCHWENGEL,  
*House Office Building, Washington, D. C.*

DEAR CONGRESSMAN SCHWENGEL: This will confirm the agreement reached today, June 11, 1958, as to the limitation of the extent of the proposed approach to the Rock Island Centennial Bridge on the Illinois side. The Rock Island Centennial Bridge Commission agrees to limit the construction of the approach, which will be financed from bridge revenues, to a point in the vicinity of Seventh Avenue and Third Street.

The Rock Island Centennial Bridge Commission hereby agrees that in the event the new proposed bridge approach and other and additional approach road connections on the Rock Island side create traffic problems on the Davenport side that need correcting, it will, upon the petition of the Davenport City Council and/or the Iowa Highway Commission, open negotiations with them for alleviating such traffic problems.

This letter may be made a part of the official committee report.

Respectfully,

ROY A. MILLER,  
*Chairman, Rock Island Centennial Bridge Commission.*  
 RAY W. OSTERMAN,  
*Coordinator for the Bridge Program.*  
 ROBERT A. KLOCKAU,  
*Special Counsel.*

HOUSE OF REPRESENTATIVES,  
*Washington, D. C., June 6, 1958.*

MR. RAY OSTERMAN,  
*President, Rock Island Chamber of Commerce,*  
*Rock Island, Ill.*

HELLO RAY: This is to confirm our conversation and understanding of the compromise we reached on the Rock Island centennial bridge approach question in which you have a very vital interest.

It is our understanding that the extension will be entirely financed by the bridge commission to Third Avenue and Seventh Street, or any location agreed upon by Bureau of Roads, as shown in the plans presented by consulting engineers Howard, Needles, Tammen & Bergendoff. I have agreed to this plan provided that we have a letter of recommendation and approval of this project by the Illinois Highway Commission and that the centennial bridge commission agree that upon petition from the Davenport City Council and/or the Iowa Highway Commission that the commission will open up negotiations to alleviate the traffic problem that may be caused by the new approach and the additional roads and highways leading to the bridge.

It is my understanding that the cost estimate by stages will be substantially follows:

Stage 6 (the Davenport side)-----	\$400, 000
Stages 2, 3, 4, and 5 (the Rock Island side)-----	2, 523, 000

Adding \$400,000 for the Davenport side making a total expenditure of \$2,923,000. Normal allowances for unforeseen costs will be in the neighborhood of \$250,000, or a grand total of \$3,173,000, plus any amount agreed upon with the Bureau of Roads for further extension.

When all the letters and understandings agreed to above and the statement for the committee report are filed with me, I hereby agree to do my utmost as a member of the Public Works Committee to get the rules lifted in the Public Works Committee to get early consideration of this very urgent legislation.

Let me say in closing that it was a pleasure to have the opportunity to work with you and your very able Congressman Robert Chipperfield on this matter. Through thorough study and consideration of all the factors, we have come to what I consider a happy solution to this problem and the final result has been a better representation, I am sure, of the public interest.

Sincerely yours,

CONGRESSMAN FRED SCHWENGEL.

[Telegram]

SPRINGFIELD, ILL., June 5, 1958.

Congressman FRED SCHWENGEL,  
House of Representatives, Washington, D. C.:

Confirming my telephone conversation with you today, it is the recommendation of the Illinois Division of Highways that the proposed act of Congress authorizing the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill., include the provision as follows: "That such approaches shall include only those necessary positions of streets, avenues, and boulevards which are directly connected with the bridge or which are located immediately adjacent thereto and whose principal use is to provide access to the bridge." Also, that Seventh Avenue and Third Street in Rock Island shall be considered the extreme limit for the approach structures. In the event that the bridge approach structures should be terminated east of Seventh Avenue and Third Street, the State of Illinois will conduct further negotiations with the city of Rock Island toward extending their participation in the construction cost of the facility between Seventh Avenue and Third Street and the end of the bridge approach.

R. R. BARTELSMEYER,  
Chief Highway Engineer, Illinois Division of Highways.

[Telegram]

AMES, IOWA.

Hon. FRED W. SCHWENGEL,  
Member of Congress,  
House Office Building, Washington, D. C.:

Response your telephone call regarding established policy of highway commission on required length of approaches to toll bridges. There is no established policy. Adequate engineering requires approaches to toll facility over Mississippi River be of sufficient length to make satisfactory connection with existing road and streets. Difficult to defend building highway as approach to toll bridge when approximately two-thirds of traffic does not pay toll and, as a result, does not contribute anything toward 50-percent portion financed by toll bridge. Traffic estimates show approximately two-thirds of traffic paying bridge toll will use only interchange of Rock Island approaches.

L. M. CLAUSON,  
Deputy Chief Engineer, Iowa State Highway Commission.

CITY OF ROCK ISLAND, ILL., June 4, 1958.

Hon. FRED SCHWENGEL,  
House of Representatives, Washington, D. C.

DEAR CONGRESSMAN SCHWENGEL: This is to confirm the tentative agreement reached during our telephone conversation of May 27 as to the limitation of the extent of the proposed approach to the Centennial Bridge on the Illinois side. The city of Rock Island agrees to limit the construction of the approach which will be financed from bridge revenues to a point not further from the bridge than Seventh Avenue near Third Street in the City of Rock Island.

A supplemental act of Congress authorizing the construction of a part of these improvements as hereinabove set out would meet with the approval of the Rock Island City Council.

Respectfully,

W. C. YERGER, Mayor.

ROCK ISLAND CENTENNIAL BRIDGE,  
Rock Island, Ill., May 28, 1958.

Hon. Mayor PETRUCELLI and MEMBERS OF THE CITY COUNCIL,  
Davenport, Iowa.

GENTLEMEN: Pursuant to the request made by the Honorable Fred Schwengel, Congressman from the State of Iowa, the Rock Island Centennial Bridge Commission has met this date and has officially agreed that, in addition to the

present proposed bridge approach on the Davenport, Iowa, side of the Centennial Bridge which has been agreed upon by the city officials of Davenport, Iowa, and Rock Island, Ill., the Centennial Bridge Commission will, in the future, in the event that undue traffic congestion should develop in the city of Davenport adjacent to the Centennial Bridge approach because of increased bridge traffic, negotiate with the city of Davenport to correct said traffic congestion and cooperate in anyway possible to alleviate the condition.

Very truly yours,

ROY A. MILLER,  
*Chairman, Bridge Commission.*

DEPARTMENT OF COMMERCE,  
BUREAU OF PUBLIC ROADS,  
*Washington, D. C., May 29, 1958.*

HON. FRED SCHWENGEL,  
*House of Representatives,  
Washington, D. C.*

DEAR MR. SCHWENGEL: This is to confirm the advice given in your conversations with our Mr. Erickson concerning the proposed improvements to be made to the Centennial Bridge across the Mississippi River between the cities of Rock Island, Ill., and Davenport, Iowa, authorized by an act of Congress approved July 11, 1956, as Public Law 682, 84th Congress.

The city of Rock Island has proposed to extend the bridge approach from 2d Avenue to 31st Avenue in accordance with a recommendation contained in an engineering report prepared for the city by Howard, Needles, Tammen & Bergendoff, consulting engineers in Kansas City. It was also proposed by this same report that certain improvements be made at the Davenport end of the bridge.

Your question was: How far should the approach properly be extended at the expense of the toll bridge under Public Law No. 682 of the 84th Congress? The law provides:

"That such approaches shall include only those necessary portions of streets, avenues, and boulevards which are directly connected with the bridge, or which are located immediately adjacent thereto, and whose principal use is to provide access to the bridge."

By referring to plate 9 of the Howard, Needles, Tammen & Bergendoff report, you will note improved exits and entrances at the Rock Island end of the bridge are proposed; one at 15th Street, the other at 11th Street. Under the provisions of the law, it is difficult to see how anything more than this could be included in that work to be charged against toll revenues.

In your discussion with Mr. Erickson, he pointed out that it might be considered proper and falling within the intent of the law to include all of the costs of the 11th Street interchange construction beginning in the vicinity of 3d Avenue and 9th Street.

It is our considered opinion that work beyond the 11th Street interchange construction should be performed as a city or State highway project, since it is primarily an expressway serving the city of Rock Island.

In our opinion, all of the work to be done under Public Law 682 of the 84th Congress to improve and extend the approaches to the Centennial Bridge should be approved by the respective State highway departments, since, at such time as the improvements are paid for, the bridge is to be maintained and operated free of tolls by the State highway departments.

Sincerely yours,

FRANK C. TURNER,  
*Deputy Commissioner.*

MR. CHIPERFIELD. I have nothing to add. I do feel we should substitute S. 3392, which is the companion bill, which has already passed the Senate, in place of and as a substitute for my bill.

MR. BLATNIK. We will consider that in executive session when the subcommittee meets tomorrow morning. Thank you very much.

H. R. 12216, by our colleague, Mr. Evins, from the State of Tennessee.

(H. R. 12216 follows:)

[H. R. 12216, 85th Cong., 2d sess.]

A BILL To designate the dam and reservoir to be constructed on the Cumberland River near Carthage, Tennessee, as the "Cordell Hull Dam and Reservoir"

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the dam and reservoir to be constructed on the Cumberland River near Carthage, Tennessee, authorized by the first section of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 24, 1946 (60 Stat. 634; Public Law 525, Seventy-ninth Congress), shall be known and designated hereafter as the "Cordell Hull Dam and Reservoir." Any law, regulation, map, document, record, or other paper of the United States in which such dam and reservoir are referred to shall be held to refer to such dam and reservoir as the "Cordell Hull Dam and Reservoir."

Mr. BLATNIK. General Person, will you please explain this bill, H. R. 12216, by Mr. Evins, designating dam and reservoir to be constructed on Cumberland River near Carthage, Tenn., to be named the "Cordell Hull Dam and Reservoir"?

**STATEMENT OF BRIG. GEN. JOHN L. PERSON, ASSISTANT CHIEF OF ENGINEERS FOR CIVIL WORKS—Resumed**

General PERSON. That is the purpose of the bill. The Department of the Army has no objection to its enactment.

Mr. BLATNIK. It merely changes the name and no Federal cost?

General PERSON. That is right, sir; no Federal cost.

Mr. BLATNIK. Are there any questions? That completes our first list.

We will now take up H. R. 12916, by Mr. Jones of Alabama.

(H. R. 12916 follows:)

[H. R. 12916, 85th Cong., 2d sess.]

A BILL Granting the consent and approval of Congress to the Tennessee-Tombigbee Waterway Development Compact

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent and approval of Congress is given to the Tennessee-Tombigbee Waterway Development Compact, as hereinafter set out. Such compact reads as follows:

**TENNESSEE-TOMBIGBEE WATERWAY DEVELOPMENT COMPACT**

**ARTICLE I**

The purpose of this compact is to promote the development of a navigable waterway connecting the Tennessee and Tombigbee Rivers by way of the east fork of the Tombigbee River and Mackeys and Yellow Creeks so as to provide a nine-foot navigable channel from the junction of the Tombigbee and Warrior Rivers at Demopolis in the State of Alabama to the junction of Yellow Creek with the Tennessee River at Pickwick Pool in the State of Mississippi, and to establish a joint interstate authority to assist in these efforts.

**ARTICLE II**

This compact shall become effective immediately as to the States ratifying it whenever the States of Alabama and Mississippi have ratified it and Congress has given consent thereto. Any State not mentioned in this article which is contiguous with any member State may become a party to this compact, subject to approval by the legislature of each of the member States.

## ARTICLE III

The States which are parties to this compact (hereinafter referred to as "party States") do hereby establish and create a joint agency which shall be known as the Tennessee-Tombigbee Waterway Development Authority (hereinafter referred to as the "Authority"). The membership of which Authority shall consist of the governor of each party State and five other citizens of each party State, to be appointed by the governor thereof. Each appointed member of the Authority shall be a citizen of that State who is interested in the promotion and development of waterways and water transportation. The appointive members of the Authority shall serve for terms of four years each. Vacancies on the Authority shall be filled by appointment by the governor for the unexpired portion of the term. The members of the Authority shall not be compensated but each shall be entitled to actual expenses incurred in attending meetings, or incurred otherwise in the performance of his duties as a member of the Authority. The members of the Authority shall hold regular quarterly meetings and such special meetings as its business may require. They shall choose annually a chairman and vice chairman from among their members, and the chairmanship shall rotate each year among the party States in order of their acceptance of this compact. The secretary of the Authority (hereinafter provided for) shall notify each member in writing of all meetings of the Authority in such a manner and under such rules and regulations as the Authority may prescribe. The Authority shall adopt rules and regulations for the transaction of its business; and the secretary shall keep a record of all its business, and shall furnish a copy thereof to each member of the Authority. It shall be the duty of the Authority, in general, to promote, encourage, and coordinate the efforts of the party States to secure the development of the Tennessee-Tombigbee Waterway. Toward this end, the Authority shall have power to hold hearings; to conduct studies and surveys of all problems, benefits, and other matters associated with the development of the Tennessee-Tombigbee Waterway, and to make reports thereon; to acquire, by gift or otherwise, and hold and dispose of such money and property as may be provided for the proper performance of their functions; to cooperate with other public or private groups, whether local, State, regional, or national, having an interest in waterways development; to formulate and execute plans and policies for emphasizing the purpose of this compact before the Congress of the United States and other appropriate officers and agencies of the United States; and to exercise such other powers as may be appropriate to enable it to accomplish its functions and duties in connection with the development of the Tennessee-Tombigbee Waterway and to carry out the purposes of this compact.

## ARTICLE IV

The Authority shall appoint a secretary, who shall be a person familiar with the nature, procedures, and significances of inland waterways development and the informational, educational, and publicity methods of stimulating general interest in such developments, and who shall be the compact administrator. His term of office shall be at the pleasure of the Authority and he shall receive such compensation as the Authority shall prescribe. He shall maintain custody of the Authority's books, records, and papers, which he shall keep at the office of the Authority, and he shall perform all functions and duties and exercise all powers and authorities that may be delegated to him by the Authority.

## ARTICLE V

Each party State agrees that, when authorized by its legislature, it will from time to time make available and pay over to the Authority such funds as may be required for the establishment and operation of the Authority. The contribution of each party State shall be in the proportion that its population bears to the total population of the States which are parties hereto, as shown by the most recent official report of the United States Bureau of the Census, or upon such other basis as may be agreed upon.

## ARTICLE VI

Nothing in this compact shall be construed so as to conflict with any existing statute, or to limit the powers of any party State, or to repeal or prevent legis-

lation, or to authorize or permit curtailment or diminution of any other waterway project, or to affect any existing or future cooperative arrangement or relationship between any Federal agency and a party State.

## ARTICLE VII

This compact shall continue in force and remain binding upon each party State until the legislature or governor of each or either State takes action to withdraw therefrom: *Provided*, That such withdrawal shall not become effective until six months after the date of the action taken by the legislature or governor. Notice of such action shall be given to the other party State or States by the secretary of state of the party State which takes such action.

SEC. 2. Without further submission of the compact, the consent of Congress is given to any State to become a party to it in accordance with its terms.

SEC. 3. The right to alter, amend, or repeal this Act is expressly reserved.

Mr. BLATNIK. We have just passed around to the members H. R. 12916 by Mr. Jones of Alabama. Mr. Jones has brought this up. We are awaiting reports. Mr. Jones may proceed.

**STATEMENT OF HON. ROBERT E. JONES, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA**

Mr. JONES. This bill was introduced by me at the request of the Legislatures of the State of Alabama and the State of Mississippi. I was joined in its introduction simultaneously by Mr. Smith of Mississippi, Mr. Abernethy of Mississippi, and all the House Members of the Alabama delegation.

The purpose of the bill is to affirm a compact between the States of Alabama and Mississippi. I will read the purpose of it. It is:

It shall be the duty of the Authority, in general, to promote, encourage, and coordinate the efforts of the party States to secure the development of the Tennessee-Tombigbee Waterway. Toward this end, the authority shall have power to hold hearings; to conduct studies and surveys of all problems, benefits, and other matters associated with the development of the Tennessee-Tombigbee Waterway, and to make reports thereon; to acquire, by gift or otherwise, and hold and dispose of such money and property as may be provided for the proper performance of their function; to cooperate with other public or private groups, whether local, State, regional or national, having an interest in waterways development; to formulate and execute plans and policies for emphasizing the purpose of this compact before the Congress of the United States and other appropriate officers and agencies of the United States; and to exercise such other powers as may be appropriate to enable it to accomplish its functions and duties in connection with the development of the Tennessee-Tombigbee Waterway and to carry out the purpose of this compact.

Mr. Chairman, I want to say that the various members did not think it was of such moment as to take a great deal of time before the committee. Therefore, they asked me to have leave for them to file a statement.

For the information of the members of the committee, this has been submitted to the Department. We have this morning Mr. Walter Ware of the Corps of Engineers who is prepared to comment upon the position taken by the Corps of Engineers with respect to the enactment of this compact legislation.

Mr. BLATNIK. Mr. Walter Ware of the Planning Division of the Office of the Chief of Engineers. You may give us what further information is required and the recommendation of the Corps.

STATEMENT OF WALTER WARE, PLANNING DIVISION, OFFICE,  
CHIEF OF ENGINEERS

Mr. WARE. The Department of the Army does not have a formal report at this time. The bill has been reviewed by our field offices, district and division engineers, and they do not have any adverse comment. It does not appear at this time, although we have no formal report to submit, that the Department of the Army will oppose the bill.

Mr. SCUDDER. What department is that?

Mr. WARE. The Department of the Army.

Mr. BLATNIK. Are there any further questions?

Mr. BALDWIN. As I understand it, there is no Federal cost involved in the approval of this bill.

Mr. WARE. That is right, there is no expenditure of Federal funds involved in this particular bill.

Mr. JONES. There is nothing in the bill that would give rise to any Federal responsibility in the future. So there is no commitment of the Federal Government either by terms or by direction that would sense that the Federal Government would have any monetary responsibility in the operation of the compact.

I will say to the committee it is far less in the terms of the direction than the compact reported out last week by this committee, the New England compact arrangement.

Mr. AUCHINCLOSS. There are many similar compacts to this in existence now; are there not?

Mr. WARE. No, sir; I would say this was a unique bill in that it is for the formation of an organization to promote the construction of the project.

Mr. SCUDDER. In other words, the Congress is approving a commission to be set up to promote the project; is that right?

Mr. WARE. Yes, sir. The authority would be comprised of the governor of each of the 2 States and 5 representatives from each State.

Mr. SCUDDER. Will it be possible to accomplish the same thing, Mr. Jones, by having it set up so they could establish this compact without reference to the Federal Government's position?

Mr. JONES. It would not be a compact because a compact requires ratification by the Congress of the United States, enactment of Federal legislation.

As far as the history of compacts is concerned, I would say of all the compacts I have ever examined this goes the least distance of any that I know of because it only gives the principals to the compacts the right to do this.

Mr. SCUDDER. The witness does not state that. Could we get it in the form of the other compacts? I would like to go along with you.

Mr. JONES. If I said anything that would indicate a difference of opinion between Mr. Ware and me, I am sorry, because I did not intend to. Everything he has said here this morning I am in complete agreement with. So if I have led you to some other opinion that there was any difference between us, I want to correct it now because he and I, I think, are saying the same thing.

Mr. WARE. I intended to.

Mr. AUCHINCLOSS. Off the record.

(Discussion off the record.)

Mr. HULL. Are there any further questions? Thank you very much.

H. R. 12527, by Mr. Young, re procedure for altering certain bridges over navigable waters, identical with S. 2158.

(H. R. 12527 follows:)

[H. R. 12527, 85th Cong., 2d sess.]

A BILL Relating to the procedure for altering certain bridges over navigable waters

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act of June 21, 1940, entitled "An Act to provide for the alteration of certain bridges over navigable waters of the United States, for the apportionment of the cost of such alterations between the United States and the owners of such bridges, and for other purposes" (54 Stat. 497), as amended by the Act of July 16, 1952 (66 Stat. 732), is hereby further amended as follows:

(a) By amending the first sentence of section 5 to read as follows: "After approval of such general plans and specifications by the Secretary, and after notification of such approval, the bridge owner shall, in such manner and within such times as the Secretary may prescribe, take bids for the alteration of such bridge in accordance with such general plans and specifications."

(b) By adding the following after the word "provided" at the end of section 5: "": *Provided*, That where funds have been appropriated for part only of a project, the bridge owner may take bids for part only of the work. In the event the bridge owner proceeds with the alteration through the taking of successive partial bids, the bridge owner shall, if required by the Secretary, submit a revised guaranty of cost after bids are accepted for successive parts of the work."

(c) By adding the following after the word "navigation" at the end of section 6: "": *And provided further*, That where the bridge owner proceeds with the alteration on a successive partial bid basis the Secretary is authorized to issue an order of apportionment of cost for the entire alteration based on the accepted bid for the first part of the alteration and an estimate of cost for the remainder of the work. The Secretary is authorized to review the order of apportionment of cost, to the extent he deems reasonable and proper, to meet any changed conditions."

(d) By amending the first two sentences of section 7 to read as follows: "Following approval by the Secretary of the general plans and specifications for the alteration of such bridge, the guaranty with respect to the cost thereof, the fixing of the proportionate shares thereof as between the United States and the bridge owner and approval of the commencement of the alteration, the Chief of Engineers may make partial payments as the work progresses to the extent that funds have been appropriated."

#### STATEMENT OF EARL DOMINICK, OPERATIONS DIVISION, OFFICE, CHIEF OF ENGINEERS—Resumed

Mr. DOMINICK. The companion bill was passed by the Senate and we reported on that bill. This bill would clarify and facilitate the administration of existing law for the alteration of railroads and railroad and highway obstructing bridges over navigable waters of the United States to permit more efficient application of the act.

It is the practice of Congress, based on the recommendation of Appropriations Committees, to appropriate funds for bridge alteration cases only on a yearly expenditure basis. In cases where the bridge alteration cannot be accomplished in 1 year, this practice makes it impossible for the Secretary of the Treasury to set aside the total United States share of the project cost. In addition, the present method of financing construction of bridge alteration projects is to include funds

for alteration of bridges in the civil works construction general authorization. Upon approval of authorization the funds are allotted directly to the field agencies and no action is taken by the Secretary of the Treasury.

It has therefore been found necessary in practice to divide the project into parts and have separate bids taken on the successive parts with cost apportionment being based on an actual bid on the first part of the project but on estimated amounts for the remaining parts.

Subsequently, when bids are taken for the successive parts, a revised guaranty of the parts or revised order of apportionment may become necessary because of cost changes whereas in strict compliance with the provisions of the existing law neither should be made.

The proposed legislation would provide clearly for the taking of successive partial bids and would authorize revision of the guaranty of cost in the order of apportionment, if necessary, following successive bids, all of which would bring the law more in line with actual practice in bridge alteration cases.

In addition, the provision of the act of June 22, 1940, is amended, which requires taking of bids within 90 days after notification of approval of plans, would be changed to provide taking bids within such time as the Secretary of the Army may prescribe. This is considered advisable since funds are normally not available within a 90-day period after approval of plans.

Section 7 of the act would be modified to eliminate requirement that certified copies of the action be furnished to the Secretary of the Treasury and also requirement that the Secretary of the Treasury set aside funds for the project. This change in section 7 has been discussed with representatives of the Treasury Department who are in accordance with the recommended modification.

Mr. BLATNIK. Are there any questions? We have Congressman Young.

Mr. YOUNG. Mr. Dominick has already covered the matter in detail. I would like to say the bill I introduced is identical to the Senate bill and of course it has been approved by the Secretary of the Army, and the Bureau of the Budget and Commerce have indicated in writing no objection. I have no objection to substituting the Senate bill for the House bill.

Mr. BLATNIK. Thank you very much, Mr. Young.

We have Mr. Dale Miller, of Texas, who indicated an interest in possibly testifying.

Mr. MILLER. Mr. Chairman and gentlemen, I am Dale Miller, executive vice president of the Intracoastal Canal Association of Louisiana and Texas. I represent the port of Corpus Christi, Tex., here in Washington.

In view of the explanation of the act made by Mr. Dominick and Congressman Young, I have no further statement to make.

Mr. BLATNIK. Thank you, Mr. Miller.

Our next bill is S. 3524, by Senator Morton, to change name of Markland locks and dam, Ohio River, to McAlpine locks and dam. The Chair would like to pass this over without objection. The reason is that the House Member interested in this is dean of the Kentucky delegation, Mr. Spence. We have been having discussions with him. It

appears that local people in that area have some question on this change of name and we are hoping to resolve this in discussion.

So, without objection, may we pass this over at this time?  
(S. 3524 follows:)

[S. 3524, 85th Cong., 2d sess.]

A BILL To change the name of the Markland locks and dam to McAlpine locks and dam

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Markland locks and dam which are now under construction on the Ohio River shall hereafter be known as McAlpine locks and dam, and any law, regulation, document, or record of the United States in which such locks and dam are designated or referred to shall be held to refer to such locks and dam under and by the name of McAlpine locks and dam.

Mr. BLATNIK. The next is H. R. 11697, Mr. Robeson of Virginia, to amend act of 1888 prohibiting deposit of refuse or other kinds of matter in tidal waters of New York Harbor, to extend application thereof to the harbor of Hampton Roads, Va., and adjacent waters.

(H. R. 11697 follows:)

[H. R. 11697, 85th Cong., 2d sess.]

A BILL To amend the Act of June 29, 1888, relating to the prevention of obstructive and injurious deposits in the harbor of New York, to extend the application of that Act to the harbor of Hampton Roads

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled 'An Act to prevent obstructive and injurious deposits within the harbor and adjacent waters of New York, by dumping or otherwise, and to punish and prevent such offenses', approved June 29, 1888 (25 Stat. 209; 33 U. S. C. 441-451), as amended, is amended as follows:

(1) The first section (33 U. S. C. 441) is amended by striking out "tidal waters of the harbor of New York, or its adjacent or tributary waters, or in those of Long Island Sound," and inserting in lieu thereof "waters of any harbor subject to this Act,".

(2) Section 2 (33 U. S. C. 442) is amended—

(A) by striking out "the harbor of New York, or in its adjacent or tributary waters, or in those of Long Island Sound," and inserting in lieu thereof "any harbor subject to this Act,"; and

(B) by striking out 'hereinafter mentioned'.

(3) The fourth paragraph of section 3 (33 U. S. C. 446) is amended by striking out "The supervisor of the harbor of New York, designated as provided in section 5 of the said Act of June twenty-ninth, eighteen hundred and eighty-eight, is authorized and directed to appoint inspectors and deputy inspectors, and, for the purpose of enforcing the provisions of this Act and of the Act aforesaid," and inserting in lieu thereof "Each supervisor of a harbor is authorized and directed to appoint inspectors and deputy inspectors, and, for the purposes of enforcing this Act and the Act of August 18, 1894, entitled 'An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes' (28 Stat. 338),".

(4) The fifth full paragraph of section 3 (33 U. S. C. 447) (relating to bribery of employees of the supervisor of the harbor) is amended by striking out "the supervisor of the harbor" and inserting in lieu thereof "any supervisor of a harbor".

(5) Section 4 (33 U. S. C. 449) is amended—

(A) by striking out "the harbor of New York, or the waters adjacent or tributary thereto", and inserting in lieu thereof "any harbor subject to this Act"; and

(B) by striking out "the waters of the harbor of New York", and inserting in lieu thereof "the waters of that harbor".

(6) Section 5 (33 U. S. C. 451) is amended—

(A) by inserting after "That an officer of the Corps of Engineers shall" a comma and the following: "for each harbor subject to this Act,"; and

(B) by striking out "This officer" and inserting in lieu thereof "Each such officer".

(7) Section 6 is amended to read as follows:

"SEC. 6. That the following harbors shall be subject to this Act:

"(1) The harbor of New York.

"(2) The harbor of Hampton Roads."

(8) The following new section is added at the end:

"SEC. 7. That for the purposes of this Act—

"(1) The term 'harbor of New York' means the tidal waters of the harbor of New York, its adjacent and tributary waters, and those of Long Island Sound.

"(2) The term 'harbor of Hampton Roads' means the tidal waters of the harbors of Norfolk, Portsmouth, Newport News, Hampton Roads, and their adjacent and tributary waters, so much of the Chesapeake Bay and its tributaries as lies within the State of Virginia, and so much of the Atlantic Ocean and its tributaries as lies within the jurisdiction of the United States within or to the east of the State of Virginia."

SEC. 2. This Act shall take effect on the sixtieth day after the date of its enactment.

MR. BLATNIK. Mr. Robeson of Virginia has discussed the problem on several occasions with the Chair. He is most anxious to get this amendment which he feels is the only way they can cope with the problem. Refuse and waste and polluting materials are being dumped in far enough offshore to technically comply with existing statute but practically it is of no help since the wind and tide wash all the debris and waste material into the harbor area of Hampton Roads and adjacent waters.

We have Mr. Frank Heller, of the Project Operations Division, of the Corps of Engineers. Mr. Heller, would you explain the specifications of this bill and give us the position of the Corps of Engineers on it?

#### STATEMENT OF FRANK HELLER, PROJECT OPERATIONS DIVISION, CORPS OF ENGINEERS—Resumed

MR. HELLER. Mr. Chairman, the purpose of H. R. 11697, which would amend the act of June 29, 1888, relating to the prevention of obstructions and injurious deposits in the harbor of New York, is to extend the application of that act to the harbor of Hampton Roads, Va. The act of 1888 as previously amended prohibits the deposit of waste or other kinds of matter in the tidal waters of New York Harbor and certain adjacent waters, including Long Island Sound.

An officer of the Corps of Engineers designated by the Secretary of the Army as supervisor of the harbor is charged with the enforcement of the provisions of the act. This supervisor has the duty of preventing any obstructive or injurious deposits in all waters under his jurisdiction and preventing fishing and dredging of shellfish and other activity which would interfere with navigation of the entrance channels of the harbor by ships of deep draft.

The bill before you merely amends the New York Harbor Act to make its provisions apply to the tidal waters of the Hampton Roads area, including Norfolk Harbor, Portsmouth Harbor, Newport News, and Chesapeake Bay within the State of Virginia.

The Department of the Army has no objection to the enactment of this bill.

MR. BLATNIK. Will you give us a few more specifics? What restrictions do you have and how far out in the harbor from dumping wastes and other such material?

Mr. HELLER. You are speaking now of the Hampton Roads rather than New York Harbor?

Mr. BLATNIK. That is right, Hampton Roads.

Mr. HELLER. At Hampton Roads until the last couple of years practically all spoil material was dumped at sea but within the last couple of years, with the authorization of Congress, the Corps of Engineers has developed the Craney Island disposal area within the harbor itself, an area set aside, where all material, particularly dredge material, is disposed of in such a manner as to not interfere with navigation.

Mr. BLATNIK. Is that inadequate? Could you explain the purpose for extending this?

Mr. HELLER. As we understand it, Mr. Chairman, at the Hampton Roads area the principal difficulty is oil pollution, discharge of oil from vessels at anchor or at piers into the tidal waters of the Hampton Roads area. This oil pollution is very hazardous from a fire standpoint. It is also detrimental from the standpoint of fouling the condensers of vessels navigating these waters.

There is also of course under the New York Act, which would apply here, the matter of any type of material that would be discharged into these waters and under that act they could only do it by permit, a permit that they would be given for them to dump the material at a specific location that would not be detrimental to commerce.

Mr. BLATNIK. Is there any estimate on the costs involved in this bill?

Mr. HELLER. We estimate that the average annual cost of enforcing the provisions of this bill as it would relate to the Hampton Roads area would be about \$150,000.

Mr. BLATNIK. Do you have any estimate as to the current damage done by the washing in of the debris, particularly in this case oil residue and oil waste?

Mr. HELLER. No, sir; we have no estimate available readily. We understand that at this particular harbor there is need for detection of these offenses similar to New York. At the present time we are operating under the general authority but we step in only on complaints. Under this new bill we would be able to set up a program. We would require a patrol boat and launches and hire inspectors to make periodic inspections to detect violations and more rigidly enforce the provisions of the various laws for preservation of navigable waters.

Mr. ROGERS. Who has responsibility now for enforcing these provisions, were this to be passed?

Mr. HELLER. Basically it is the Secretary of the Army as carried out by the Chief of Engineers.

Mr. ROGERS. For enforcing the antipollution features?

Mr. HELLER. Yes, sir; in conjunction with the United States Coast Guard.

Mr. ROGERS. The Coast Guard, I thought, would have probably the primary responsibility. What means do we have with the Department of the Army for enforcement?

Mr. HELLER. By inspection and detecting and obtaining evidence of violations which are reported to the United States Attorney for prosecution.

Mr. ROGERS. Is that done through the Coast Guard?

Mr. HELLER. Actually the law permits it to be done by both agencies, authorizes both agencies to detect the violations.

Mr. ROGERS. Is that true of the present law on antipollution of beach areas? I am very much concerned about that. We are having that problem off our State and perhaps California and some of the other coastal States. The Coast Guard says they have difficulty in enforcing because they cannot get the facts necessary to obtain a conviction. Maybe they will take a picture of the pollution but the ship is gone and there is no real way of proving that particular ship did the polluting. You speak of using \$150,000. Yet I wonder what results you can actually get from it.

Mr. HELLER. As you pointed out, Mr. Rogers, that is one of the greatest difficulties. It is a matter of having someone there to see the violation occur to get sufficient evidence to prosecute the case successfully. By having it applied to the New York Harbor law we would be able to set up a program and actually employ the inspectors to patrol the waters.

Mr. ROGERS. Let me get back to this feature of enforcement by the Department of the Army and Corps of Engineers. You say under the present law they also have the authority to bring about enforcement of this antipollution feature of the present law on dumping oil in our coastal areas?

Mr. HELLER. It is very short. I will read the actual act. I will read from the Oil Pollution Act of 1924, section 7. Part of this section reads:

For the better enforcement of provisions of this act the officers and agents of the United States in charge of river and harbor improvements and inspectors employed upon them by authority of the Secretary—

meaning the Secretary of the Army—

and the officers of the Customs and Coast Guard Service of the United States shall have power and authority and it shall be their duty to swear out, process, and arrest and take into custody—

et cetera, the violators.

Mr. ROGERS. Thank you very much, Mr. Chairman.

Mr. BLATNIK. If there are no further questions, thank you very much, Mr. Heller.

Our next, and I think our last bill, is H. R. 4142, by Mr. Talle, of Iowa, to amend the act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill., in order to make certain changes in the authority of such commission, and for other purposes.

(H. R. 4142 is as follows:)

[H. R. 4142, 85th Cong., 1st sess.]

A BILL To amend the Act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Illinois, in order to make certain changes in the authority of such commission, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of section 3 of the Act entitled "An Act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or*

condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Illinois", approved December 21, 1944 (58 Stat. 846), as revised, reenacted, and amended, is amended by striking out "in said State" and inserting in lieu thereof "by said State."

SEC. 2. Section 5 of such Act is amended (1) in the first sentence thereof by striking out "negotiable serial bonds" and inserting in lieu thereof "negotiable bonds", and (2) in the proviso at the end of the fourth sentence, by striking out "twenty years" and inserting in lieu thereof "twenty-five years."

SEC. 3. Such Act is further amended by renumbering section 15 as section 16 and by inserting immediately preceding such section a new section as follows:

"SEC. 15. The bridge or bridges purchased or constructed under the authority of this Act shall be deemed to be Federal instrumentalities for interstate commerce, the postal service, and military and other purposes authorized by the Government of the United States, and said bridge or bridges and the income derived therefrom shall, on and after the effective date of this section, be exempt from all Federal, State, municipal, and local property and income taxation."

SEC. 4. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Mr. BLATNIK. We have with us this morning Mr. Earl Dominick, of the Operations Division, of the Office of the Chief of Engineers.

Mr. Dominick, we will be pleased to hear from you.

#### STATEMENT OF EARL DOMINICK, OPERATIONS DIVISION, OFFICE, CHIEF OF ENGINEERS—Resumed

Mr. DOMINICK. The act of Congress approved December 21, 1944, as amended, created the city of Clinton Bridge Commission and authorized the commission to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill. The bridge was dedicated and opened for business on June 30, 1956.

The commission may issue refunding bonds to refinance any outstanding bonds at maturity or before maturity if called for redemption. The proposed bill will extend the period for refunding bonds from 20 to 25 years. The Department of the Army has no objection to this bill and has reported to that effect.

Mr. BLATNIK. Is there any cost to the Federal Government?

Mr. DOMINICK. No; this is a toll bridge.

Mr. BLATNIK. Any questions?

Mr. BALDWIN. Mr. Dominick, I see the comment that the Department of Commerce has no objection if the bill is amended to delete section 3, and the Comptroller General is opposed to section 3. Does the Department of the Army have any position on section 3?

Mr. DOMINICK. We have not commented on section 3. Section 3 provides:

Such Act is further amended by renumbering section 15 as section 16 and by inserting immediately preceding such section a new section as follows:

That pertains to the exemptions of the bridge and the income derived therefrom from any Federal, State, municipal, and local property and income taxation. Our point has been that is not the concern of the Department of the Army and we have not expressed any opinion as to that.

Mr. BALDWIN. That is all.

Mr. SCHWENGEL. Mr. Chairman, first I should like to tell the committee that our colleague, Mr. Talle, who is the author of this bill,

has just returned from the hospital, where he had a very serious operation on his leg; it was broken in three places, and he finds it impossible to be with this morning. His assistant is with us. I do not know if he is prepared to discuss this bill or not, but I have a statement by Mr. Fred R. White which he made before the Senate Public Works Committee on this same subject, and I would like to ask unanimous consent that it be included in the record.

Mr. BLATNIK. If the gentleman will hold that up, I believe it is the same statement I have, which was transmitted in a communication from Mr. Talle, and the statement by Mr. Talle will be inserted in the record followed by the statement of Mr. Fred R. White, a civil engineer formerly employed by the Iowa State Highway Commission and now serving as a consultant to the City of Clinton Bridge Commission.

Mr. SCHWENGL. I would like to add, if I may, at this point that we acted on this principle in this committee a year ago when we passed the Muscatine Bridge bill. Also I should add that this will not affect Federal and State taxes because we now have rulings from the Federal Internal Revenue Department and the State taxing authorities that show that they do not collect taxes from this or similar bridge commissions on the river.

Again I want to state that we created a precedent when we passed the Muscatine Bridge bill and I think there are other precedents as well.

I would like to add that by passing this bill we make it possible for these people to pay off the bonds at an earlier date and thereby let this bridge be a free bridge.

I am also told there is no objection from the people in that area. Also, the testimony I heard from the Department was they did not object to the principle but they felt the State should make the determination to forgive the property tax. The property tax is in an amount of some \$30,000 a year and the trend of taxation is up, so in a 25-year period it could amount to over \$1 million. Personally I think it would be a good policy for us to establish.

Mr. BLATNIK. Thank you.

Any further questions?

We will include at this point in the record the statement by Mr. Talle and also incorporate the statement by Mr. White.

(The statements referred to follow :)

STATEMENT ON H. R. 4142 BY CONGRESSMAN HENRY O. TALLE

Mr. Chairman, members of the committee, I urge your committee to act favorably on H. R. 4142.

This legislation would amend the act of December 21, 1944 (58 Stat. 846), as amended, which created the City of Clinton Bridge Commission, and authorized said commission to acquire, construct, maintain, and operate a bridge or bridges across the Mississippi River at or near the cities of Clinton, Iowa, and Fulton, Ill.

The purpose of the bill is to facilitate the financing and construction by the commission of a new bridge across the Mississippi River north of the bridge recently completed by the commission. The new bridge will replace an existing structure more than 60 years old known as the Lyons-Fulton Bridge.

You have before you a statement by Mr. Fred R. White, of Ames, Iowa, explaining the reasons why the amendments contained in the bill under discussion should be enacted. Mr. White has long been known and respected, not only in Iowa, but throughout our country, as an authority and as a friend of good highways. I commend his statement and accompanying fact sheet, to your close

attention. I am eager to add my support to Mr. White's arguments and pray the committee will report this bill favorably. The ever-increasing volume of traffic on the great cross-country highways crossing the Mississippi River at Clinton make it imperative that the construction on a new bridge be delayed no longer than necessary. Passage of this bill will enable the Clinton Bridge Commission to go ahead with orderly financing of a new bridge the construction of which will be a boon to the economy of Illinois and Iowa as well as to the entire Midwest, and the country as a whole.

STATEMENT BY FRED R. WHITE, OF AMES, IOWA, RELATING TO H. R. 4142, A BILL TO AMEND THE CLINTON, IOWA, BRIDGE ACT, APPROVED DECEMBER 21, 1944

My name is Fred R. White. I live at Ames, Iowa. I am a civil engineer, formerly employed by the Iowa State Highway Commission, but now affiliated with Modjeski & Masters, consulting engineers, Harrisburg, Pa., and serving as a consultant to the City of Clinton Bridge Commission.

The City of Clinton Bridge Commission, created by act of Congress approved December 21, 1944, purchased both old Mississippi River bridges at Clinton, Iowa; dismantled and removed the old south bridge (built in 1893); built a new south bridge and is now operating both the new south bridge and the old north bridge. Constructed in 1891, the old north bridge is wholly inadequate for carrying the automobile and heavy truck traffic of the present day. It should be replaced by a new and modern bridge at the earliest practical date.

Careful analysis of the traffic which crosses the Mississippi River at Clinton, Iowa; the rate of income from the operation of the two bridges over the Mississippi River at Clinton and the present financial status of the City of Clinton Bridge Commission leads to the conclusion that on or about July 1960 or 1961, the City of Clinton Bridge Commission could, if all of its toll revenues were devoted in bridge operation, maintenance, and financing, sell sufficient additional bonds to finance the construction of a new North Clinton Bridge (or Lyons and Fulton Bridge as it is locally called).

To do that would require some amendments to the Clinton Bridge Act, as amended. The amendments needed are set forth in H. R. 4142 now under consideration by your subcommittee. Section 1 of the said bill amends the Clinton Bridge Act by striking from the first sentence of section 3 of said act, relating to condemnation of right-of-way, the words "in said State" and inserting in lieu thereof the words "by said State." Under the Clinton Bridge Act, any proceedings by the City of Clinton Bridge Commission for the condemnation of right-of-way for the construction or operation of a bridge, shall be conducted under the laws of the State in which such right-of-way is located. The purpose of this amendment is to provide that the proceedings for such condemnation by the bridge commission shall be the same as the proceedings by the State itself for the condemnation of right-of-way for a public State purpose.

Section 2 of the pending bill (H. R. 4142) would amend section 5 of the Clinton Bridge Act as amended, in two particulars:

(a) By striking from the first sentence of said section 5 the words "negotiable serial bonds" and inserting in lieu thereof the words "negotiable bonds"; and

(b) By striking from the proviso at the end of the fourth sentence of said section the words "twenty years" and inserting in lieu thereof the words "twenty-five years."

Amendment (a) above would simply provide that any new bonds issued by the City of Clinton Bridge Commission need not be serial bonds. This amendment is necessary because of the fact that the revenue from any toll bridge operation varies unpredictably from year to year to such extent that serial bonds with fixed annual maturities based for their payment on such fluctuating toll revenue are not practical.

Amendment (b) above would provide that the maximum length of life of any refunding bonds issued by the City of Clinton Bridge Commission may be 25 years, the same as the maximum life of an initial issue of bonds by said Commission. This amendment is necessary for the reason that the City of Clinton Bridge Commission on January 1, 1958, had outstanding a total of \$6,232,000

of bonds, some of which bonds due to their serial feature are maturing from year to year and the maximum maturity date of some of which bonds is July 1, 1979.

In the financing of the construction of a new north bridge at Clinton, the most practical procedure would be to call in and retire all of the present bonds which are then outstanding; put out a new bond issue sufficient to pay off all of the present bonds outstanding and also sufficient to pay for the construction of the new north bridge. To accomplish this purpose, under the present law, two types of bonds would have to be issued: (a) refunding bonds maturing in not over 20 years and (b) initial issue bonds maturing in not over 25 years to pay for the new north bridge. Under this proposed amendment, only one type of bond would have to be issued.

They would all mature in not over 25 years.

Section 3 of the pending bill (H. R. 4142) would amend the City of Clinton Bridge Act by inserting therein a new section which would exempt the two Clinton bridges owned by the commission "from all Federal, State, municipal, and local property and income taxation." This amendment is essential to the financing of a new north Mississippi River bridge at Clinton, Iowa, for the reason that approximately \$30,000 per year of Clinton Bridge revenue is now going to the payment of local property taxes in Clinton County, Iowa, and in Whiteside County, Ill. Over the next 21 years (the remaining life of the presently outstanding Clinton Bridge bonds) this approximate \$30,000 per year for local property taxes (if the local taxes should remain at that rate) will amount to approximately \$630,000. There is every reason to believe that these local property taxes levied against the Clinton bridges will increase sharply over the next few years. That is the trend. In fact there is good probability that if legislation such as is proposed in H. R. 4142 is not adopted, these local property taxes levied against the Clinton bridges will double within the next few years—to \$60,000 per year. At that annual rate, these local property taxes would amount to a total of \$1,260,000 over the next 21 years. Such a local tax burden imposed on the Clinton Bridge revenue would constitute a considerable handicap to the financing of a new north Clinton bridge in the predictable future.

The Muscatine Bridge Act approved July 26, 1956 (Public Law 811, 84th Cong.; ch. 743, 2d sess.) contains a precedent for this proposed amendment to the Clinton Bridge Act. This proposed amendment to the Clinton Bridge Act is a verbatim copy of section 14 of the said Muscatine Bridge Act.

This proposed tax amendment to the Clinton Bridge Act would have no effect whatsoever on Federal income taxes. Under a ruling by the Internal Revenue Service, the City of Clinton Bridge Commission now pays no Federal income tax for the reason that the said bridge commission has no net income. Likewise, this proposed amendment to the Clinton Bridge Act would have no effect whatsoever on the payment of State income taxes; in fact, the only effect of this proposed amendment to the Clinton Bridge Act would be to relieve the Clinton bridges, owned by the City of Clinton Bridge Commission, from local property taxes.

This matter of the levying of property taxes on publicly owned interstate bridges presents some queer aspects. It is a case of the public taxing its own property—feeding off of itself. To levy a property tax on any particular property, two factors or figures must be determined:

- (a) There must be a tax rate levied;
- (b) There must be a valuation placed on the property.

Under the Clinton Bridge Act, as well as under other similar bridge acts passed by Congress, the bridge commission cannot sell such bridge; it cannot give away such bridge until it is paid for; it cannot retain any of the revenue derived from the operation of such bridge. When such bridge is paid for, the bridge commission must give the bridge to the two States or other public body authorized to accept the same. If the bridge commission is unable to find anyone who will accept such bridge, then the bridge commission shall continue to maintain and operate such bridge, but shall reduce its toll rates so as to produce only enough revenue to pay the annual maintenance and operation expenses. Just what is the value of such property? How would one go about determining the value of such property?

A local property tax levied on a publicly owned interstate bridge, where there is no monetary profit to the public derived from the earnings of the said bridge,

becomes for all practical purposes a tax on interstate commerce although it may or may not be clothed in all the legal trappings of such tax.

These matters are discussed more fully in a factual statement concerning the Clinton bridge which is being submitted to supplement this brief statement.

FACTUAL STATEMENT BY FRED R. WHITE, RELATING TO THE AMENDMENTS TO THE CITY OF CLINTON BRIDGE ACT PROPOSED IN H. R. 4142 (S. 1081)

1. CLINTON BRIDGE LAWS

The laws relating to the City of Clinton Bridge Commission are embodied in four acts of Congress as follows:

(a) *Public Law 526, 78th Congress, chapter 633, 2d session, approved December 21, 1944*

This is the basic Clinton, Iowa, Bridge Act. It created the City of Clinton Bridge Commission and empowered said commission to purchase, condemn or construct a bridge or bridges over the Mississippi River at or near the cities of Clinton, Iowa, and Fulton, Ill.; to pay for such bridge or bridges through the issue of revenue bonds; to maintain and operate such bridge or bridges and to collect tolls on the traffic crossing such bridge or bridges to provide revenue to pay for the maintenance and operation thereof and to pay interest on and retire the principal of bonds issued for or on account of any such bridge or bridges.

(b) *Public Law 357, 79th Congress, chapter 203, 2d session, approved April 23, 1946*

This act revived and reenacted the act approved December 21, 1944, which had expired under the statute of limitations.

(c) *Public Law 220, 81st Congress, chapter 416, 1st session, approved August 10, 1949*

This act revived and reenacted the act approved December 21, 1944, which had again expired under the statute of limitations. This act approved August 10, 1949, also amended and rewrote, section 5 of the said act approved December 21, 1944, relating to the revenue bonds to be issued by the City of Clinton Bridge Commission, which section had been found to be defective.

(d) *Public Law 70, 83d Congress, chapter 129, 1st session, approved June 18, 1953*

This act revived and reenacted the act approved December 21, 1944, as amended, which act had again expired under the statute of limitations.

2. THE MISSISSIPPI RIVER BRIDGES AT CLINTON, IOWA-FULTON, ILL., IN 1944

In 1944, when the basic Clinton Bridge Act was approved, there were two privately owned toll highway bridges over the Mississippi River in the Clinton, Iowa-Fulton, Ill., area. These bridges were about 2½ miles apart (see chart). The north bridge was owned by the Lyons & Fulton Bridge Co. It was known locally as the Lyons and Fulton Bridge or as the north bridge. It was completed and opened to traffic in 1891. The south bridge was owned by the Clinton & Illinois Bridge Co. It was known locally as the Clinton and Illinois Bridge or as the south bridge. It was completed and opened to traffic in 1893.

Both of these bridges were narrow. Each had a roadbed 16 feet 9 inches wide between curbs. Each bridge was built on poor alinement. The load bearing capacity of each bridge, as originally built, was far below the requirements for present motor vehicle traffic. The north bridge had been strengthened to some extent. The south bridge had not.

3. PROGRESS BY CITY OF CLINTON BRIDGE COMMISSION

Postwar shortages and other circumstances beyond control of the Clinton Bridge Commission prevented early action on the acquisition or construction of the Clinton bridges. In 1954, negotiations were completed for the purchase of both of the old Mississippi River bridges at Clinton. Bids were received and contracts were let for dismantling and removing the old south bridge and constructing a new south bridge. Two bond issues, aggregating \$7,700,000, were sold to

finance these bridge purchases and bridge construction contracts. The old north bridge was strengthened and kept open to carry all the traffic during the construction of the new south bridge.

The new south bridge was completed and opened to traffic on June 30, 1956. It was named the Gateway Bridge. The old north bridge is still being operated. It is open and available for the use of whatever legal vehicles desire to cross the Mississippi River at that point.

#### 4. TRAFFIC AND TOLLS

During the calendar year 1957, a total of 2,568,636 vehicles crossed the Mississippi River on the 2 bridges at Clinton. That is an average of 7,037 vehicles per day. The total gross vehicular tolls for the 1957 calendar year was \$875,920.45, or an average of \$2,399.78 per day. For both bridges combined the average toll per vehicle was 34.1 cents. During the calendar year of 1957 the total number of vehicles crossing the Mississippi River in the Clinton-Fulton area has divided, 30.6 percent on the old north bridge and 69.4 percent on the new south bridge; the total vehicle tolls or revenue has been collected, 20.6 percent on the old north bridge and 79.4 percent on the new south bridge. The average daily receipts or revenues on both bridges combined during the 1957 calendar year were \$2,399.78, divided \$494.96 per day on the old north bridge and \$1,904.82 per day on the new south bridge.

In 1957 the average annual daily traffic over the old north bridge was 2,157 vehicles; the total vehicular traffic over the old north bridge was 787,234 vehicles; the total vehicular tolls collected was \$180,661.60 and the average toll per vehicle was 22.95 cents. On the new south bridge during the calendar year 1957, the total traffic was 1,781,402 vehicles; the average annual daily traffic was 4,880 vehicles; the average toll per vehicle was 39.03 cents and the total toll revenue collected was \$695,258.85.

#### 5. BONDS ISSUED, INTEREST

The bonds issued in 1954 on the two Clinton bridges were as follows:

Series A bonds.....	\$6, 800, 000
Series B bonds.....	900, 000
Total bonds issued.....	7, 700, 000

The interest rates on these bonds are: Series A bonds 4 percent; series B bonds 3.85 percent. The last of these bonds mature in 1979.

#### 6. RETIREMENT OF BONDS

During 1957, \$1,468,000 of these bonds were retired. About \$450,000 of the funds for the retirement of these bonds came from the residue of the funds derived from the bonds sold in 1954 and not expended in the construction of the new bridge. The remaining \$1,018,000 of the funds used to retire these bonds came from tolls collected on traffic crossing the bridges.

#### 7. OPERATION AND MAINTENANCE EXPENSE

Operation and maintenance of the 2 Mississippi River bridges at Clinton is costing at the rate of about \$166,000 per year, or an average of \$455 per day.

#### 8. COST OF NEW LYONS-FULTON BRIDGE

No detailed estimate of cost of a new Lyons-Fulton Bridge is available. From information available it is believed that such new bridge would, on present prices, cost approximately \$5,500,000.

#### 9. NEW NORTH BRIDGE NEEDED

A new bridge is needed over the Mississippi River at or near the location of the present north bridge (the Lyons and Fulton Bridge). The present bridge is now 67 years old. It was built long before the automobile and the big heavy motortruck appeared on our highways. It is just barely wide enough to permit two 8-foot-wide (legal width) vehicles to pass on its roadway. The remaining

useful life of this bridge, without extensive overhaul and reconstruction, is limited to a relatively few years.

If this old north bridge should deteriorate to the point where it would have to be closed to traffic, or if it should fail, or if it should be dismantled and removed as provided in section 7 of the Clinton Bridge Act approved December 21, 1944, the distance of travel by motor vehicle between the business district of Lyons (north Clinton), Iowa, and the business district of Fulton, Ill., by way of the new south bridge, would be increased by about 5 miles. This increase in distance traveled between Lyons and Fulton would cost, in motor-vehicle operation expense, about as much as the present bridge toll, to cross the north bridge. And, in addition, toll would have to be paid to cross the new south bridge until such time as that bridge is paid for and freed of tolls.

#### 10. FINANCING CONSTRUCTION OF NEW NORTH BRIDGE

It would be impossible to finance the construction of a new North Clinton Bridge, as a toll bridge, on the present average toll rate (22.95 cents) per vehicle and on the present average annual daily traffic of 2,157 vehicles which cross the Lyons-Fulton Bridge, or even if the probable future growth and increase in that traffic is taken into account. There is believed to be no probability that the two States, Illinois and Iowa, would, in the predictable future, build or substantially aid in building a new North Clinton Bridge. The only way, certainly the most feasible and practicable way, to finance the construction of a new North Clinton Bridge is through the use of the net toll revenue from the present North Clinton Bridge, supplemented by some of the net toll revenue from the new South Clinton Bridge. That cannot be done after the new south bridge is paid for and becomes a free bridge, as the law provides.

Estimates indicate that by using net revenue from both bridges as indicated above, and with relief from property taxes, as proposed in the pending bills S. 1081 and H. R. 4142, the City of Clinton Bridge Commission could, in 1960 or 1961, sell enough additional bonds to pay for the construction of a new north bridge and then pay off its entire indebtedness by 1979—25 years after the first bonds were issued.

#### 11. LEGISLATION NEEDED

If the City of Clinton Bridge Commission is to undertake the construction of a new bridge over the Mississippi River in the Lyons (North Clinton)-Fulton area, some amendments are needed to the present Clinton bridge law as outlined in the attached bill. This bill proposes four amendments to the Clinton Bridge Act approved December 21, 1944, as amended, as follows:

(a) In the first sentence of section 3 of the said act approved December 21, 1944, strike the words "in said State" and substitute in lieu thereof the words "by said State." Under the act as thus amended, the City of Clinton Bridge Commission in condemning privately owned real estate or other property needed for the location, construction, operation, or maintenance of a bridge or its approaches would proceed under the same laws and in the same manner as would the State (Iowa or Illinois, as the case might be) in which the said property is located if the State were condemning said property for a public purpose. Under the act approved December 21, 1944, as it now stands, the City of Clinton Bridge Commission in condemning private property would proceed the same as a railroad company or other private corporation which is authorized to exercise the power of eminent domain.

(b) In section 5 of said act, as amended, strike the words "negotiable serial bonds" and insert in lieu thereof the words "negotiable bonds"; and in the proviso at the end of the fourth sentence strike the words "twenty years" and insert in lieu thereof the words "twenty-five years." This amendment would facilitate the issue and sale of Clinton Bridge Commission revenue bonds for building a new north bridge (Lyons-Fulton Bridge), particularly in view of the fact that there are now outstanding two issues of Clinton Bridge Commission serial bonds issued to buy both of the old Clinton bridges and to build the new south bridge.

(c) Add to the act approved December 21, 1944, a new section numbered 15, which would clearly exempt both the present Mississippi River bridges in the Clinton-Fulton area, owned by the City of Clinton Bridge Commission, "from all Federal, State, municipal, and local property and income taxation", and

would likewise exempt any new Lyons-Fulton Bridge that may be constructed by the Clinton Bridge Commission.

## 12. PRESENT TAX SITUATION

At present, the tax situation with respect to these Clinton-Fulton bridges is as follows:

*(a) Federal income tax*

Under a ruling by the Federal Internal Revenue Service, the City of Clinton Bridge Commission pays no Federal income tax for the reason that it has no net income. All of the commission's gross income, over and above the cost of operating and maintaining the bridges must, by law, be used to pay interest and retire principal of bonds issued by the commission. When the bonds and other indebtedness of the commission are all paid, the commission must give the bridges to the two States.

*(b) State income tax*

For the same reason, the City of Clinton Bridge Commission now pays no State income tax in either Illinois or Iowa.

*(c) Municipal and local income taxes*

There are no municipal or local income tax laws in either Illinois or Iowa.

*(d) Property tax on south bridge*

The old south Mississippi River bridge was a privately owned toll bridge up to August 31, 1954. On that date it was purchased and taken over by the City of Clinton Bridge Commission. For many years prior to its acquisition by the Clinton Bridge Commission in 1954, the property tax on the old south bridge at Clinton was approximately as follows:

	<i>Per year</i>
In Whiteside County, Ill.-----	\$1,128
In Clinton County, Iowa-----	872
Approximate total-----	2,000

Under the provisions of section 313.59 to 313.65, Code of Iowa, 1954, the Iowa State Highway Commission has entered into an agreement with the City of Clinton Bridge Commission to accept that portion of the new South Clinton Bridge located in the State of Iowa, when said bridge is paid for. There will, therefore, under section 313.61, Code of Iowa, 1954, be no property or income taxes on this bridge in the State of Iowa.

On that portion of the new south Mississippi River bridge at Clinton, located in the State of Illinois, Whiteside County, Ill., in 1957 levied property taxes payable in 1958 in the total amount of \$15,609.24.

*(e) Property tax on north bridge*

The Lyons-Fulton Bridge was a privately owned toll bridge until October 22, 1954. It was purchased by the City of Clinton Bridge Commission on that date. From 1950 to 1953 the average property tax on the Lyons-Fulton Bridge was as follows:

	<i>Per year</i>
In Whiteside County, Ill. (Fulton)-----	\$12,289
In Clinton County, Iowa (Clinton)-----	7,405
Total-----	19,694

Both the Illinois Division of Highways and the Iowa State Highway Commission have advised the City of Clinton Bridge Commission that they would not accept their respective portions of the present Lyons-Fulton Bridge as a gift.

The property taxes levied on the Lyons-Fulton Bridge in 1957, payable in 1958, are as follows:

In Whiteside County, Ill. (Fulton)-----	\$7,887.16
In Clinton County, Iowa (Clinton)-----	4,937.55
Total payable in 1958-----	12,824.71

*(f) Total 1958 property tax*

The total property tax levied in 1957, payable in 1958, on the two Mississippi River bridges at Clinton, Iowa-Fulton, Ill., owned by the City of Clinton Bridge Commission, created by act of Congress, approved December 21, 1944, is as follows:

Old Lyons-Fulton (north) Bridge:	
In Whiteside County (Fulton), Ill.....	\$7, 887. 16
In Clinton County (Clinton), Iowa.....	4, 937. 55
New South (Gateway) Bridge:	
In Whiteside County, Ill.....	15, 609. 24
In Clinton County (Clinton), Iowa.....	None
Total payable in 1958.....	28, 433. 95

Let us assume that this tax will remain at about \$30,000 per year during the next 21 years. That is the remaining life of the presently outstanding bonds issued by the City of Clinton Bridge Commission. By that time, the new south bridge at Clinton will have been paid for and will have been freed of tolls. During that 21-year period, the local property tax on the 2 Clinton bridges will amount to a total of about \$630,000. That \$630,000, if retained and used by the Clinton Bridge Commission for bridge financing instead of being diverted to local property taxes as at present, could be the deciding factor in the bridge commission's ability to finance the construction of a new Lyons and Fulton (north) bridge within the next few years.

## 13. PROBABLE INCREASE IN PROPERTY TAXES

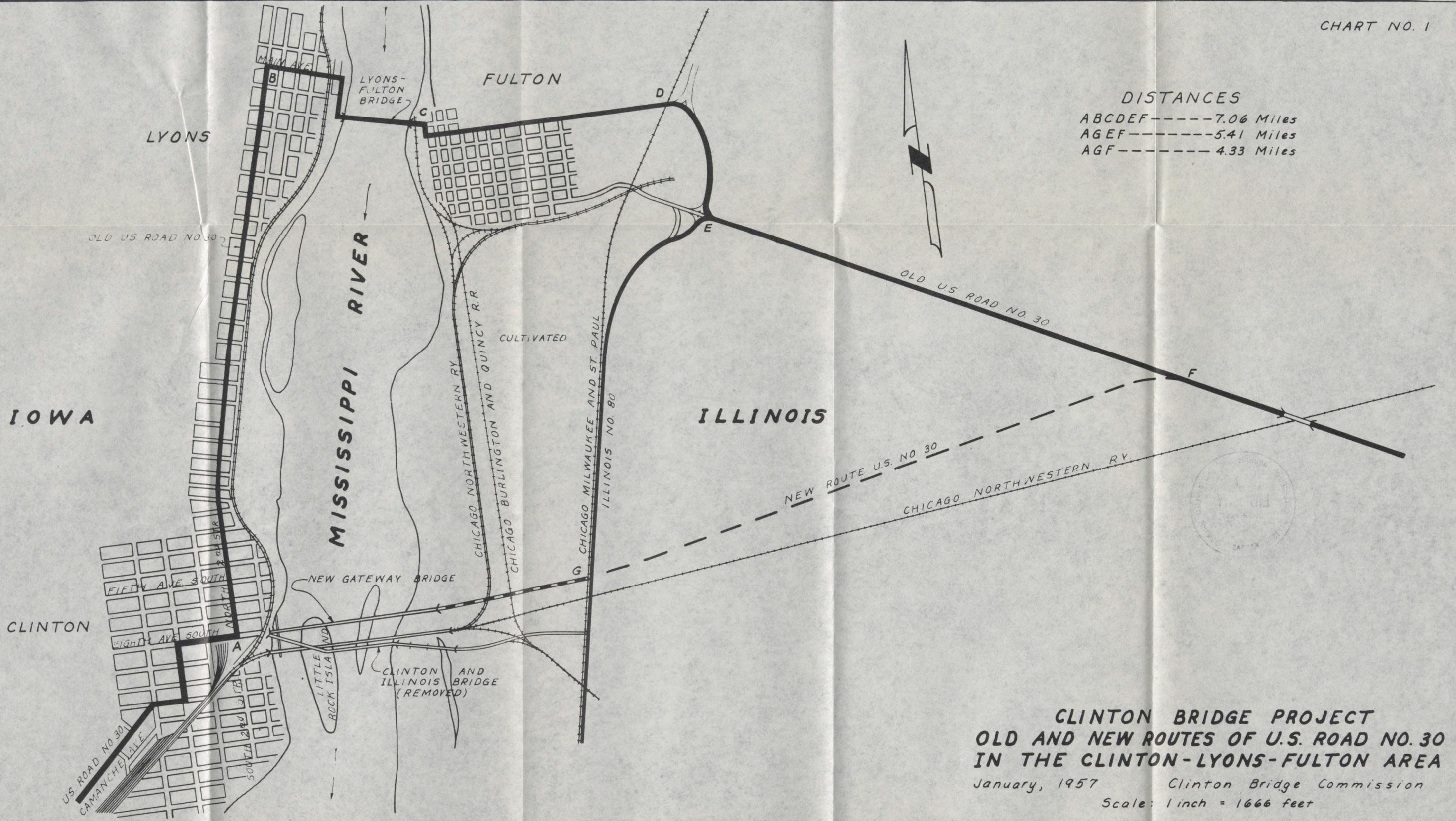
There is good reason to believe that if this or similar legislation is not passed, the property taxes on the Mississippi River bridges in the Clinton-Fulton area will increase sharply in the next few years. The \$15,609 property tax on the Illinois portion of the new south bridge, payable in 1958, will in all probability increase to \$30,000 per year or more, in the next few years. If a new Lyons and Fulton Bridge is built, the \$12,825 property tax on the present Lyons and Fulton Bridge, payable in 1958, would almost certainly be increased to \$30,000 per year or more on the new Lyons and Fulton Bridge, within a very few years after such new bridge is completed.

In that event, the property taxes on the 2 Clinton bridges would in a 21-year period amount to a total of \$1,260,000. That is quite a load of local taxes to be imposed on the interstate traffic which crosses these Clinton bridges. It could be the determining factor in the Clinton Bridge Commission's ability or inability to finance the construction of a new Lyons-Fulton Bridge within the next few years.

## 14. SCHEDULE OF TOLL RATES

The schedule of toll rates in effect on both of the Mississippi River bridges at Clinton, Iowa, is as follows:

Passenger car, driver, and any number of passengers, not over 7.....	\$0. 20
2-axle 4-tire truck.....	. 20
2-axle 6-tire truck.....	. 50
3-axle single-unit truck.....	1. 00
3-axle semitrailer combination.....	1. 00
4-axle semitrailer combination.....	1. 25
5-axle semitrailer combination.....	1. 50
Each additional axle over 5, additional toll over 5-axle rate.....	. 25
Passenger bus, over 7-passenger capacity.....	1. 00
Pedestrian or bicycle.....	. 05
Motorcycle.....	. 10
1-axle car trailer.....	. 10
2-axle car trailer.....	. 20
House trailer.....	. 50
U. S. Government officials, peace officers, and members of fire department when in performance of official duties.....	Free



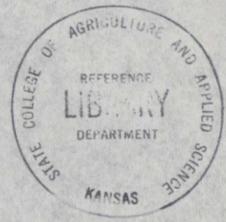
**DISTANCES**

ABCDEF	-----	7.06 Miles
AGEF	-----	5.41 Miles
AGF	-----	4.33 Miles

**CLINTON BRIDGE PROJECT**  
**OLD AND NEW ROUTES OF U.S. ROAD NO. 30**  
**IN THE CLINTON-LYONS-FULTON AREA**  
 January, 1957  
 Clinton Bridge Commission  
 Scale: 1 inch = 1666 feet

CHART NO. 1

DISTANCES  
1800 FT. ---  
1000 FT. ---  
500 FT. ---



CLINTON BRIDGE PROJECT  
OLD AND NEW  
ROUTES OF U.S. ROAD NO. 30  
IN THE CLINTON-LYONS-FULTON AREA  
January 1937  
Scale 1 inch = 1000 feet

ILLINOIS

IOWA



The toll rates are the same on both bridges. The average toll per vehicle paid on the new south bridge is greater than the average toll per vehicle paid on the old north bridge for the reason that a very large portion of the big, heavy trucks (which pay the higher toll rates) cross on the new south bridge.

Mr. BLATNIK. If there are no further bills and no further matters by members of the committee, the meeting is adjourned until 10 o'clock tomorrow when the subcommittee will go into executive session.

(Thereupon, at 12:10 p. m., the committee adjourned until 10 a. m. on Tuesday, July 15, 1958.)



## FLOOD CONTROL, RIVERS AND HARBORS MISCELLANEOUS PROJECTS—PART 2

WEDNESDAY, JULY 23, 1958

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON RIVERS AND HARBORS OF THE  
COMMITTEE ON PUBLIC WORKS,  
Washington, D. C.

The committee met at 10 a. m., Hon. John A. Blatnik (subcommittee chairman) presiding.

Mr. BLATNIK. The Rivers and Harbors Subcommittee of the House Public Works Committee will please come to order.

We will hear this morning the Miami project, Senate Document No. 71, and H. R. 12479, introduced by our colleague and friend from Florida, Mr. Fascell.

(The bill referred to follows:)

[H. R. 12479, 85th Cong., 2d sess.]

A BILL To authorize the modification of the existing project for improvement of Miami Harbor, Florida

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the modification of the existing project for the improvement of Miami Harbor, Florida, is hereby adopted and authorized substantially in accordance with the recommendations of the Chief of Engineers in Senate Document Numbered 71, Eighty-fifth Congress, second section, at an estimated cost to the United States of \$3,818,000, the work to be prosecuted under the direction of the Secretary of the Army and the supervision of the Chief of Engineers.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

Mr. BLATNIK. We have with us witnesses from out of town, those in support of the proposition and those opposed to the proposition. We welcome you.

At the outset the chairman expresses his appreciation for the cooperation he has had with both the proponents and the opponents. In the uncertain weeks of the session it is difficult to schedule hearings, and it has been on rather short notice that all parties have responded most promptly, and I certainly appreciate it.

We will open with an introductory statement by the author of the bill. You may submit whatever testimony or documents that you have for the record.

### STATEMENT OF HON. DANTE B. FASCELL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. FASCELL. Thank you, Mr. Chairman and members of the committee. I appear in support of the bill which is before the subcommittee this morning and which was introduced by me on the Miami Harbor project. I am indeed grateful to the chairman of the com-

mittee and its members for giving us this opportunity to air this project.

I know it is very difficult, with the press of business this late in the session, to undertake a meeting of this kind. All of us who are here from Miami, both the proponents and the opponents, are very grateful to the committee for taking this time to hear us on this very important project.

I have a prepared statement, Mr. Chairman, that I would like to ask permission to have inserted in the record at this point.

(The statement referred to follows:)

STATEMENT OF DANTE B. FASCELL, MEMBER OF CONGRESS

I have introduced H. R. 12479 to authorize the Corps of Engineers to modify the existing project for the improvement of the Miami Harbor in accordance with the recommendations of the Chief of Engineers contained in Senate Document 71, 85th Congress. The estimated Federal cost for channel dredging would be \$3,818,000.

The Miami area is one of the fastest growing metropolitan centers in the country. To keep pace with its rapidly expanding population and volume of business, an adequate port facility is desperately needed. Everyone agrees that the limited facilities of the cramped site of the existing port of Miami, which dates back to the period of the First World War, are grossly inadequate.

The city of Miami has formally approved plans for the construction of a new Miami Harbor to be located on Dodge Island. The proposal for use of the Dodge Island site for the new Miami Harbor has been approved by the city of Miami, by the Corps of Engineers, by the Bureau of the Budget, by the National Rivers and Harbors Congress, by the Miami-Dade County Chamber of Commerce, and by numerous local civic and industrial organizations. The Dodge Island site replaces a proposed wartime project urged in 1942 for the construction of an airport-seaport and naval anchorage at Virginia Key. Although this plan was authorized by the Rivers and Harbors Act of March 1945, it was dropped at the end of the war and no appropriations were made nor was work ever commenced. The Corps of Engineers has subsequently reviewed the Virginia Key site proposal and reported on it unfavorably.

Some property owners in Miami Beach and others have opposed the use of Dodge Island for the new port of Miami. Other suggested alternatives are: (1) expansion of existing port (more costly and less satisfactory); (2) the Virginia Key site (reviewed and found unsatisfactory by the Corps of Engineers); (3) divert traffic to Port Everglades, Broward County, some 25 miles to the north of Miami in Dade County, and close down Miami's port.

Greater Miami's population is now over 800,000; in 1960, it is expected to be over 1 million, and 2 million by 1970. The city of Miami has already spent several hundred thousand dollars for an economic survey, master plan, and drawings for the Dodge Island development. The city of Miami is ready to go ahead with the development at Dodge Island. It has been suggested that development of the port should be a function of the recently organized Miami Metropolitan Commission. When and if the metropolitan government is ready and willing to assume the responsibility for operating the port facility, such arrangements can be worked out with the city of Miami. At the present time, however, the city of Miami is willing to move ahead with this much-needed project. The metropolitan government is not.

I strongly urge approval of authorization for Federal cooperation in developing the Miami Harbor at Dodge Island as recommended by the Corps of Engineers.

Mr. FASCELL. I would also like to ask permission to introduce into the record two telegrams and a letter endorsing the project. One telegram is from W. J. Owens, president of the Dade County Federation of Labor, which endorses the Dodge Island site for the new port of Miami.

The other telegram is from Judge Henderson, president of local 1416 of the International Longshoremen's Association of Miami, who, I understand, is here and has a statement. I have also a letter from Mr. Albert H. Lopez, vice president of the maritime trades department.

(The telegrams and letter follow :)

MIAMI, FLA., July 18, 1958.

HON. DANTE FASCELL,  
*House of Representatives, Washington, D. C.:*

Dade County Federation of Labor has endorsed the Dodge Island site for new port of Miami.

W. J. OWENS, *President.*

MIAMI, FLA., July 18, 1958.

Congressman DANTE FASCELL,  
*House of Representatives, Washington, D. C.:*

In behalf of the longshoreman the city of Miami and its area a port with proper facilities is vitally needed to take care of the commerce that can be handled in this port. We strongly urge you to do everything possible you can to make this a reality.

JUDGE HENDERSON,  
*President, Local 1416,*  
*International Longshoreman Association, Miami.*

MARITIME TRADES DEPARTMENT,  
PORT COUNCIL OF SOUTH EAST FLORIDA,  
*Miami, Fla., July 15, 1958.*

HON. DANTE B. FASCELL,  
*New House Building, Washington, D. C.*

Honorable CONGRESSMAN: We would like to first thank you for your personal attention in your telegram to us of July 14, 1958, re Miami Harbor hearing, July 23, 1958.

This communication will confirm that this port maritime council has gone on record through its executive board and concurrence from the rank and file membership of 100 percent support of the port proposal for Miami, also it has been recorded that if necessary we shall send a delegation to Washington on the above matter. Kindly advise on the necessity of such a committee in behalf of the port of Miami.

Thanking you for your capable cooperation in this matter, I remain,  
Very truly yours,

ALBERT H. LOPEZ, *Vice President.*

MR. BLATNIK. Do you have any other communications?

MR. FASCELL. No. We have a distinguished delegation from my area—the mayor, the city manager, and other people. They will be very interested in telling you about their side of this project.

MR. BLATNIK. We appreciate the gentleman's cooperation in abbreviating his remarks.

Typical of the procedure of the committee is to hear first the Army engineers to give us the physical layout of the project under consideration and the engineering and physical specifics of the project.

We will hear then the proponents and then those who may be in opposition.

We will hear from the Corps of Engineers, Brig. Gen. John L. Person.

**STATEMENT OF BRIG. GEN. JOHN L. PERSON, ASSISTANT CHIEF OF ENGINEERS FOR CIVIL WORKS, ACCOMPANIED BY HENRY C. C. WEINKAUFF, CHIEF, SURVEYS BRANCH, OFFICE, CHIEF OF ENGINEERS—Resumed**

General PERSON. Miami Harbor is located in Biscayne Bay, on the Atlantic coast near the southern end of the Florida Peninsula.

The report which forms the basis of the pending legislation was authorized by a Senate Commerce Committee resolution adopted July 10, 1945. The report was submitted on the 2d of May of this year to the Senate Public Works Committee with a copy to this committee and is now being printed as Senate Document No. 71, 85th Congress, 2d session.

The existing project provides for a channel 30 feet deep and 500 feet wide from the ocean to a point near the outer end of the north jetty, thence 30 feet deep and 300 feet wide through the entrance cut and across Biscayne Bay to and including a turning basin in front of the municipal terminals at Miami, 1,400 feet by 1,350 feet and 30 feet deep; 2 parallel rubblestone jetties at the entrance, 1,000 feet apart and 3,000 and 2,750 feet long, and rubblestone revetments on both sides of the 1,000-foot-wide entrance cut. The project includes several shallow-draft channels in the Miami area, which are not pertinent to the improvements considered in this report. Also included in the project are development of Virginia Key and an approach channel at Dinner Key.

The plan of recommended improvement is as follows:

Widening the existing ship channel by easing the ocean bend and increasing the width of the 300-foot-wide section to 400 feet; enlarging the existing turning basin 300 feet along both the south and northeasterly sides; dredging a turning basin along the north side of Fisher Island about 39 acres in extent and 30 feet in depth. Also recommended is deletion of the authorized Virginia Key development and the Dinner Key approach channel from the project.

The estimated cost, based upon price levels in February 1957, involve a Federal cost of \$3,983,000, including \$75,000 for navigation aids and non-Federal cost of \$2,116,000, for a total of \$6,009,000.

The required local contribution: Contribute in cash 21.6 percent of the total cost of Federal dredging, an amount presently estimated at \$1,051,000, or contribute items of work of equal value; hold and save the United States free from damages; provide public terminals and transfer facilities including an oil terminal, open to all on equal terms; dredge and maintain berthing areas and non-Federal approaches thereto; alter or relocate all cables, mains, or other installations as required; furnish lands, easements, and rights-of-way and spoil-disposal areas.

The annual charges for the project total \$251,600. The annual benefits are \$510,000, giving a benefit-to-cost ratio of 2.03 to 1.

The Secretary of the Army, in reporting on the project, stated that the Department of the Army favors the proposed improvement works and, accordingly, the Department has no objection to the enactment of the legislation.

The Bureau of the Budget stated it had no objection to the submission of the report to the Congress.

Mr. BLATNIK. Does that conclude your statement?

General PERSON. Yes, sir.

Mr. DOOLEY. I have no preconceived idea about the whole project, but I do want to ask you, why you have to release Virginia Key?

General PERSON. That was authorized initially. The project included an airfield and a terminal.

Mr. DOOLEY. Thank you.

General PERSON. The restudy indicated that it was not economically feasible and, further, there is no existing local entity that has indicated a desire and willingness to provide the local contribution requirement, whereas the city of Miami has stated its willingness to provide the local cooperation for the presently recommended project.

Mr. SCUDDER. General, what is the overall cost of the survey that is contemplated?

General PERSON. This bill would authorize the project. The survey is completed.

Mr. SCUDDER. What will the improvements cost?

General PERSON. The total Federal cost is \$3,893,000; non-Federal, local costs, \$2,116,000 for a total Federal and non-Federal cost of \$6,009,000.

Mr. SCUDDER. What is the reason for the change?

General PERSON. There is a need for an additional width of the entrance channel and for a more nearly adequate terminal facility. The spoil from the dredging of the channel will be deposited in the Dodge Island area, which will create an area suitable for development as a terminal. The city of Miami is providing the funds required to make that fill; in other words, the excess cost of depositing the dredging spoil in the Dodge Island area over what it would cost to deposit it elsewhere is being borne by the city, and the land-enhancement benefits are also recognized by a cash contribution from the city.

Mr. SCUDDER. Is this the most economical improvement that could be made?

General PERSON. Yes, sir.

Mr. SCUDDER. And the engineers recommend this?

General PERSON. Yes, sir.

Mr. SCUDDER. Were there any alternate proposals submitted in line with the presently contemplated project?

General PERSON. The major alternate proposal is the development of Virginia Key, which our study found to be not only not economically feasible, but also found there was no local governmental agency willing and able to provide the requirements of local contribution.

Mr. BYRNE. General, in the area that you have outlined there, are there any injurious effects to private property that would be brought about?

General PERSON. There is a feeling on the part of residents of Palm Island, Hibiscus Island, and Star Island that the development of the commercial terminal will be detrimental to the value of these three islands. There are some very nice residential developments there.

Mr. BYRNE. Would it be possible to lump together the fair cash market value of the nice residences that you speak of?

General PERSON. I do not believe that there has been an evaluation of the possible monetary detriment to those islands. I think it is a matter of esthetics rather than cash. The city of Miami has evidenced a very strong desire for the project by agreeing to provide the rather substantial local contribution required.

Mr. BYRNE. Well, with regard to the private residences that you speak of, do they run into the millions of dollars?

General PERSON. I would think so, sir. They are very nice.

Mr. BYRNE. From your point of view, as an engineer, would you have any opinion as to the injurious effects this might have from a monetary viewpoint?

General PERSON. No, sir. We feel that is a matter for local determination.

Mr. BYRNE. In other words, it would take a real-estate expert to testify on that?

General PERSON. Yes, sir. And the city, having considered all the aspects, both pro and con, considers the project sufficiently worthy to agree to put in the contribution required, and I think that would answer your problem.

Mr. BYRNE. Where is the Port Everglades area with reference to this?

General PERSON. It is to the north.

Mr. BYRNE. Has that been considered from the standpoint of whether or not it would be able to take care of shipping facilities?

General PERSON. Yes, sir. Our study found that the present and prospective commerce in Miami proper would justify this project; in other words, both the Miami project and the Port Everglades project would be justified.

Mr. BLATNIK. I am puzzled. Here is a rather active harbor that has been existing for quite some years. The total commerce in the present Miami Harbor, the report states in 1955 was 2,881,000 tons. It shows that docking at Miami handled about 750,000 passengers in 1956. You state in your report:

The present municipal terminal at Miami, built about 45 years ago, is now obsolete and inefficient.

What has happened to prevent a harbor which was a quite active one to run down?

General PERSON. The fact is the increase in commerce has made the existing facilities inadequate and, I believe, obsolete. The city plans to construct a modern terminal providing for greatly increased commerce at the new site and to use the former site for other purposes.

Mr. CRAMER. I appreciate the need in the Miami area for adequate harbor facilities. I am 100 percent for providing Miami with such adequate facilities.

I want to ask a few questions with regard to the proposed project to make sure that it is fully understood. You mentioned the fact that the present facilities are obsolete. In your opinion, in that this project is limited to 30 feet, let me ask you first, that does not include any increased depth in the present channel, does it?

General PERSON. That is correct.

Mr. CRAMER. It is presently 30 feet?

General PERSON. Right, sir.

Mr. CRAMER. Of course, at Jacksonville they are going to have a study underway for a 41-foot depth?

General PERSON. Yes, sir; and we have authority for a study for Miami to increase the depth to 35 feet. The study has not yet been funded.

Mr. CRAMER. It has already been authorized?

General PERSON. It has been authorized, but we have no funds for it.

Mr. CRAMER. Now, is it due to the causeway in the immediate vicinity? Is it practical to go to 35 feet, in your opinion?

General PERSON. That would have to be determined in the course of the study. I would not be able to state that categorically now, because we have never had the money to spend on the project.

Mr. CRAMER. Would you say that there would be a depth limitation in the future of this particular channel site?

General PERSON. I have no reason to believe that it would be impracticable to go to 35 feet because, as I say, we have never studied it. Without studying it I could not make a statement.

Mr. CRAMER. How about beyond 35 feet?

General PERSON. There again we have never had authority or funds to study anything more than 35 feet. We have authority to study 35 feet and no more.

Mr. CRAMER. With a causeway just to the north of the proposed channel would that provide a limitation to prevent it from being undermined?

General PERSON. Not necessarily. I do not know the details of the causeway. We have not studied it. Frequently, where we have to provide a channel by a bridge or causeway it is possible to provide cheap piling protection to the bridge piers if you have to go to a great depth. Whether that would be true in this case, I, frankly, do not know because we have not had the money to study it.

Mr. CRAMER. Do you feel the location under consideration would itself become obsolete in the next 10 or 12 years if it were located at this location as compared with some other?

General PERSON. It is very probable in the coming years there will be a need for greater depth.

Mr. CRAMER. How about the Dodge Island docking facilities, and so forth, is there adequate space there for future development?

General PERSON. There is certainly adequate space there for the traffic which justified the current project. I would think that there would be adequate space for expansion, but as I have said, we have not had an opportunity to study that problem.

Mr. CRAMER. I just wonder whether it was taken into consideration that we do not want to end up with an obsolete new harbor when we have an obsolete old one. That is the point. In your opinion, do you think that location lends itself to the long-range future programing for Miami, which I want to see? I want to see adequate harbor facilities for Miami.

General PERSON. Yes, sir.

Mr. CRAMER. Does this accommodate itself to that?

General PERSON. In my opinion it does. It would take a study to determine that exactly, but in my opinion this project will justify and does provide a basis for future expansion.

Mr. CRAMER. Now, it is true, is it not, previously there was consideration given in a report, and a report made on the Virginia Key location?

General PERSON. That is true. The Virginia Key is an authorized project.

Mr. CRAMER. That is an authorized project.

General PERSON. Yes, sir, in the inactive category.

Mr. CRAMER. Did the engineers take into consideration the possibility of modifying that project as an alternative to this presently proposed project in its study?

General PERSON. Yes, sir.

Mr. CRAMER. What conclusion did you come to?

General PERSON. We concluded it was not economical or feasible, and we found that there was no local agency ready and willing to

provide the requirements of local contribution. We are recommending that authorization be deleted.

Mr. CRAMER. I presume that is in Dade County rather than in the city of Miami.

General PERSON. It is not within the city limits of Miami.

Mr. CRAMER. In other words, if it is in the county, the county authorities do not propose this project? Is that what you are saying?

General PERSON. Neither the county nor other agency has offered to put up the money, but even if it did, our study showed that it was not economically justified as an alternative.

Mr. CRAMER. Under the present authorization?

General PERSON. That is right. The project as authorized is not economically feasible.

Mr. CRAMER. Did you consider a modification of the project?

General PERSON. Yes, sir.

Mr. CRAMER. What would be your plan if we authorized the 30-foot channel proposal with regard to the proposed study for the 35-foot channel? Would you go ahead with the 35-foot study before you started construction of the present 30-foot project?

General PERSON. That would depend entirely upon the rate of appropriations. If we had funds appropriated for a 35-foot study we would embark upon it.

Mr. CRAMER. Do you not think that it would be a much more logical approach to go ahead with that? If you are going to construct it, go ahead with the dredging of the 35-foot channel instead of the 30-foot channel like we are doing in Tampa.

General PERSON. We will not be sure until we make a study whether a 35-foot channel is actually required, and whether a 30-foot channel might not be adequate for the reasonable future.

Mr. CRAMER. That is assuming they will have no oil barges, and so forth there. They will shift those up to the port of Everglades; is that correct?

General PERSON. There are a lot of things to be taken into consideration, sir, but as I say, we have had no money as yet, and we have no money in the fiscal year 1959 budget for the 35-foot study.

Mr. CRAMER. What is the cost-benefit ratio on this project?

General PERSON. 2.03 to 1.

Mr. CRAMER. To what extent was land enhancement included in that?

General PERSON. The land-enhancement benefits were considered in assessing the local interest in the amount of 21.6 percent of the total cost of the Federal dredging. That 21.6 percent, which amounts at present cost estimates to \$1,051,000, is made up of the added cost of pumping the soil into the Dodge Island area, plus the amount of land enhancement value.

Mr. CRAMER. Without land enhancement what would be the benefit-cost ratio of the project?

General PERSON. I would have to supply that for the record.

(The information is as follows:)

Considering the navigation improvement without the land-enhancement benefits, the benefit-to-cost ratio is 1.42 to 1.

Mr. BLATNIK. Is it not rather unusual that a land enhancement item is listed in a harbor project?

General PERSON. No, sir; that is not uncommon where we have a definite enhancement of land values resulting from the project. It is normal under those circumstances to charge local interests for that benefit.

Mr. BLATNIK. Is that due to the new acreage added on?

General PERSON. Yes, sir; due to the fact that what is now practically useless will be converted to a higher land use and there will be definite land enhancement value.

Mr. SCUDDER. You say the local interests furnish necessary lands, easements and rights-of-way, and disposal areas for construction and hold and save the United States free from damages. Is there any protection in case of erosion of the waterway? As I understand it, the opposition is fearful of bank erosion. I am quite familiar with the area.

General PERSON. That would be the responsibility of the city of Miami under this project.

Mr. SCUDDER. They would be bound then to protect the property damaged by the erosive effects?

General PERSON. Yes, sir. Under the terms of the local cooperation requirements, the Federal Government would be protected from any claims for damages of any sort.

Mr. SCUDDER. Would the city be liable?

General PERSON. I would say that if an individual had a provable case for damages, which he could substantiate in court, he would have a just claim. As you see, the widening is away from the residential areas, so any actual effect of erosion from the passage of boats should be reduced rather than increased.

Mr. McFALL. I notice in Congressman Fascell's opening statement he referred to an alternative, the port of Everglades some 25 miles north of Miami. That is a suggested alternate site. Would you have any comments on that in relation to this particular project?

General PERSON. Yes, sir. The port of Everglades project was authorized by Public Law 85-500, the recent omnibus bill. In the Senate Appropriations Committee \$28,000 was added for advance planning of the project. Both projects are economically justified in themselves. Both are needed.

Mr. McFALL. Both are needed?

General PERSON. Yes, sir.

Mr. McFALL. Could you expand upon that with reference to the port of Everglades? It is needed for what? The military, and so forth?

General PERSON. Our study of the port of Everglades indicated that there was ample economic justification for improvement of the port of Everglades, and Congress authorized it in the recent omnibus bill.

Mr. McFALL. Would you have any comment upon a comparison between the two? Do the engineers have any information or opinion as to whether or not the port of Everglades could be substituted for the development suggested here?

General PERSON. No, sir. The study of the Miami problem showed that the present and prospective commerce in Miami was adequate to justify the Miami project with the benefit-cost ratio of 2.03 to 1. So both projects are economically justified.

Mr. McFALL. Both are justified and both could go ahead and be built, completed; and both handle their own traffic?

General PERSON. Yes, sir.

Mr. DOOLEY. Is it not true of Port Everglades that the big oil tankers cannot come in with a 30-foot channel?

General PERSON. That is true.

Mr. DOOLEY. And the same thing would be true at Miami with a 35-foot depth?

General PERSON. Yes, sir.

Mr. DOOLEY. Why would you not go to a deeper depth?

Mr. ROGERS. Would the gentleman yield? I do not believe the gentleman understood your question. The port of Everglades has a 35-foot depth.

Mr. DOOLEY. Still oil tankers cannot come in there, the big ones.

General PERSON. The supertankers cannot, unless they come off light and top off somewhere else.

Mr. ROGERS. There is a project now to deepen the port of Everglades for tankers.

Mr. DOOLEY. To accommodate the big tankers.

Mr. ROGERS. Yes; at the present time the supertankers cannot get in fully loaded.

Mr. CRAMER. In order to clarify this matter further—and again I say I am very much interested in Miami having adequate facilities—why is Virginia Key not economically feasible today when it was economically feasible in 1946?

General PERSON. When it was originally studied, sir, there was a plan for an airfield on Virginia Key. That plan has disappeared. In our study of the traffic getting from Virginia Key over to the port area it was found that the provision of rail facilities, or trucking facilities, or a combination of both, or barging facilities, would add so materially to the cost of handling cargo that particular factor, plus the elimination of the airfield, would make it not justified.

Mr. CRAMER. Did you include in your reconsideration of Virginia Key the dredging of land enhancement on Virginia Key?

General PERSON. Yes, sir.

Mr. CRAMER. And it was still not economically feasible?

General PERSON. That is correct.

Mr. CRAMER. I assume the Army engineers did not have authority to consider, and did not naturally consider, any other alternative sites other than Virginia Key and Dodge Island.

General PERSON. I do not believe that the resolution limited us to any specific site, but it was quite clear from the study that the most economical solution to the problem was the one now recommended.

Mr. CRAMER. Of course, again, are not your sites limited, and thus areas studied are limited, to what the local authorities decide, what they want to do in the way of local cooperation and at what site?

General PERSON. Yes, sir.

Mr. CRAMER. And that partially governs your consideration?

General PERSON. Yes, sir.

Mr. CRAMER. So, as a practical matter, the only two available locally approved, or locally considered, sites were Virginia Key and Dodge Island?

General PERSON. Very true, sir.

Mr. CRAMER. Then you had no occasion or reason to look into other sites?

General PERSON. No, sir.

Mr. CRAMER. And there appeared before the Board of Engineers both the opponents and the proponents of this, I assume?

General PERSON. Yes, sir.

Mr. BLATNIK. Thank you very much, General Person.

We will now begin with the proponents.

First on the list is Gen. Arthur E. Evans, manager of the city of Miami. We welcome you. For the record, will you make a brief introductory statement, giving your full name, title, how long you have been in your capacity?

**STATEMENT OF GEN. E. A. EVANS, CITY MANAGER, CITY OF MIAMI, FLA.**

General EVANS. Thank you very much. My name is E. A. Evans, and I am city manager of the city of Miami, Fla. I have been in that capacity for approximately 6 years. I have a prepared statement, and it is rather brief. I think, if you do not mind, I will take the time to read it, and then I can place it in the record.

My appearance here is in connection with H. R. 12479, a bill introduced into the House of Representatives by Congressman Dante Fascell on May 13, 1958. This bill is to authorize the modification of the existing project for improvement of Miami Harbor, Fla.

There is in existence an authorized project commonly known as the Virginia Key plan. This plan came into being in 1942. At that time it was contemplated that there might be a combined airport-seaport and naval anchorage at Virginia Key. No appropriation was made for the project; however, it was renewed in 1945 and modified, and improvements were authorized by the Rivers and Harbors Act, approved March 2, 1945. The plan was abandoned at the close of World War II, inasmuch as at that time it was considered a wartime project, and the project is now on the inactive list as no appropriation was ever made and no work has ever been started.

Since the close of World War II, a number of engineering studies have been made on Miami's port. These were not successful, primarily because of the inability of the city of Miami to finance the project. In 1955, however, the city commission was presented a plan which, together with a satisfactory financing program, was approved unanimously by the city commission. This plan is known as the Dodge Island plan. An appropriation was made by the Congress for a survey to be made by the Corps of Engineers, and on October 3, 1956, a public hearing was held on the proposed project by the United States Army engineers in the city of Miami. The engineers' survey was recently submitted to the Congress with a favorable recommendation.

Construction on the port of Miami, the present port, was started in 1918 when the population of the Greater Miami area was approximately 32,000, and was completed in 1937 at which time the population of this area was about 160,000. Today the population is estimated to be 800,000 and is growing at the rate of about 10 percent per year. It is estimated that the population in 1960 will be 1 million, and in 1970 it is expected to be 2 million. An economic survey of the port

of Miami, prepared by the First Research Corp., indicates, among other things, that by 1965 the port can expect more than double the volume of traffic over the year 1955, providing we have the port facilities to handle it. As a port of entry customs revenues would increase. It must also be realized that we are now a warehousing and distributing point for Latin America. An adequate export facility will assist our businessmen in meeting foreign competition.

The present port is inadequate, is in need of major repairs, and is not able to cope with modern transportation methods due to inadequate aprons and lack of proper storage facilities. Because of its site, it is not subject to expansion except at an exorbitant cost.

The city of Miami is able to provide adequate financing for the construction of the port through the sale or lease of the existing port site, which is entirely owned by the city of Miami and which carries no indebtedness, together with the issuance of revenue bonds to be supported by port revenue. We have awarded a contract to the Ewin Engineering Corp., Miami, Fla., for the preparation of a master plan, preliminary plans, and working drawings. These plans are being paid for out of present port surplus revenues and will be completed and ready for taking of bids by the end of 1958.

I must call to the attention of this committee the fact that the Dodge Island port has the full support of the vast majority of all of the citizens of the area. There is a small but well-organized group that is fighting the Dodge Island plan and is making an all-out effort to sell the idea that the port is a burden on the city's taxpayers. That is not true. The financing plan, as outlined previously, does not call for, nor is there contemplated, the levying of any ad valorem taxes for the support of this port.

Another small group is attempting to bring influence to bear to eliminate the commercial port and transfer all of the Miami port business to Port Everglades, some 25 miles to the north. Those who are fully acquainted with the situation realize that the city of Miami must have its own port. The economy of the city would suffer tremendously if this business were transferred elsewhere. Industry is already established based on the port being in its present or an adjacent site.

Another small group having homes on some islands about one-half mile away from the Dodge Island location are concerned with having to view the port from their homes, feeling that the location of the port on Dodge Island would be detrimental to them and to the value of their properties. They are objecting to the Dodge Island port in spite of the fact that the city of Miami Beach has a port which is much closer to them than the Dodge Island port would be, and the Miami Beach port has been in operation for many years.

One of the newspapers of Miami has not, to my knowledge, ever been against the creation of a modern port for the city of Miami but does object to its being located on Dodge Island, feeling that it would be much better if it were placed on Virginia Key. The Corps of Engineers, in its survey on the Dodge Island port, gave an unfavorable report on the Virginia Key location.

The other daily newspaper in the city is strongly back of the Dodge Island plan.

The Miami Harbor was one of the three projects that received division I endorsement in the report of the projects committee of the

45th National Convention of the National Rivers and Harbors Congress. As you know, this endorsement means—

it is the judgment of the committee that the project is sound, needful, and sufficiently advanced in status; and that its construction is justified by the public interest it will serve.

We also have endorsements of the Miami-Dade County Chamber of Commerce, as well as a number of chambers of commerce of other cities in the area; the Dade County Development Committee, an organization of businessmen interested in the civic betterment of the city of Miami; the Dade County Coordinating Committee, which also is a group of businessmen whose function is to study and report on specific community projects; the marine council of the Miami-Dade County Chamber of Commerce, which is made up of all organizations interested in waterfront problems; the Propeller Club of the port of Miami; the Miami Junior Chamber of Commerce; the Greater Miami Aviation Association; National Society of Industrial Liaison, the Greater Miami Manufacturers Association, and the Dade County Federation of Labor.

You will probably hear from the opposition at these hearings on this project that this project should be undertaken by the newly formed metropolitan government in Dade County because the port should be considered as a metropolitan project. The city of Miami would have no objection whatsoever to having the port made a project of the metropolitan government at any time they are able and willing to assume the responsibility for the project and reimburse the city of Miami for its interest therein. However, the Board of County Commissioners of Dade County, in a recent meeting with the City Commissioners of Miami, stated that they were only too delighted to have the city build the new port inasmuch as they were not in a position to assume such a responsibility or to finance it at this time.

I have purposely eliminated any discussion about the details of the plan as this has been adequately covered in the Corps of Engineers' survey which you have at your disposal. I will, however, be very happy to answer any questions that you may have in reference to the project.

Needless to say, I am here for the purpose of urging upon you gentlemen the approval of this project as it is so desperately needed by the citizens of the Greater Miami area. The condition and inadequacy of the present port is such that it is vitally affecting the economy of this area not to have a new and modern facility such as the new port will be.

We wish to extend our sincere appreciation for the time granted us to appeal to you for your favorable consideration of the Miami Harbor project.

Mr. Chairman, that concludes my statement. I have a few remarks that I would like to make, and if it please the committee, I would like to answer some of the questions that were asked by some of the members of the committee in reference to Miami's participation.

First, we have a grand jury down in Dade County, like you gentlemen are acquainted with, and there was a request that that grand jury make an investigation of the manner in which the city commission was proceeding on this. They met and came out with a formal report. This happened yesterday. I received a copy this

morning. I want to put it into the record. It is rather short and I would like to read it.

To the Honorable WILLIAM A. HERIN, *Circuit Judge of the 11th Judicial Circuit of Florida*:

This grand jury has made an investigation of the proposed Dodge Island port. In undertaking this investigation, we have limited ourselves to an inquiry into whether or not there was any irregularity, wrongdoing, or criminal violation in connection with the city of Miami constructing a port at Dodge Island. We were of the opinion that it was not our province to determine whether or not Dodge Island was the most logical site for the port, or whether or not the city of Miami or the metropolitan government should construct the port.

These are matters to be properly determined by other governmental bodies. We deem it extremely relevant to point out that any taxpayer of any municipality who feels that governmental bodies are wastefully or unlawfully spending tax moneys has the legal right to institute a taxpayer suit to contest the legality of such expenditures. The proper judicial tribunal is the best forum for these questions to be decided and not the grand jury. Such a suit has been filed in the circuit court of Dade County contesting the legality of the Dodge Island port plan.

Our investigation has not disclosed any irregularity, wrongdoing, or criminal violation in connection with the construction of the proposed Dodge Island port.

Edwin Engineering Corp., with whom the city contracted to prepare the plans and supervise the work of the proposed port, is an experienced engineering firm in this field and has done considerable work in this type of development.

The engineering fees charged the city of Miami by Edwin Engineering Corp. are reasonable and are the average fees usually charged by engineering firms in accordance with the schedule of median fees of the American Society of Civil Engineers.

The fees paid to Edwin Engineering Corp. by the city of Miami came from the funds available from the operation of the present port, and in connection with this matter, the city commission followed the advice of the city attorney as to the legality of these expenditures.

I think this next paragraph is quite significant:

The grand jury finds there is an urgent need for adequate port facilities for Dade County and calls upon the public-spirited citizens of this community to actively and wholeheartedly support this worthy project. Every effort should be made to secure the cooperation of the Federal authorities and obtain the appropriation of Federal funds to do the necessary dredging required for the development of the port.

There are two other paragraphs not particularly pertinent to it.

Mr. BYRNE. Will the gentleman yield?

General EVANS. Yes, sir.

Mr. BYRNE. I have had about 40 years of experience with grand juries in prosecuting and defending people. I do not think it is the province of any grand jury to tell any governmental body what it ought to do; do you?

General EVANS. Yes; but you do not know the Dade County grand jury.

Mr. BYRNE. I think the Dade County grand jury is guilty of mutiny on the high seas, if you know what that is. In Chicago we know something about grand juries. They ought to take care of the crime down there, and quit telling us what to do.

General EVANS. Well, I agree with you.

I would like to call the attention of this committee to the fact that we have a purpose for this hearing and that is that we are having a hearing on H. R. 12479 introduced by Dante Fascell in the House of Representatives, and that bill calls for the modification of existing project for the improvement of Miami Harbor, Fla., and that it be hereby adopted and authorized substantially in accordance with the

recommendation of the Chief of Engineers and Senate document, and so forth.

We are not here to quarrel whether this should be on Dodge Island or Virginia Key or what have you. We are actually here to listen to the engineers and they have so far said that this is the best position for this port, but actually there is an authorization bill for the widening of the channel and for the enlarging of the turning basin and that, gentlemen, is needed if we never have a port, because we cannot get vessels into our port that want to come in.

Let me just give you the names of 2 or 3 of them. It is rather interesting. Here we have a port that is needed very badly and needed by the people down there. Going back as far as 1939 and coming up to date, I picked up four instances where cruise ships do not come into the port of Miami because of inadequate facilities:

Mr. A. L. Simmons of Simmons Cruises, Inc., brought the Steamship *De Grasse* there in 1939, and he says he would like to bring it in again, but the channel was too narrow and shallow.

Then there was in the instance of the *Santa Maria*, a 21,000-ton ship which was built in 1953, Portugese owned, which started from Port Everglades on October 4, 1956, with 400 passengers embarked at Port Everglades. They wanted to come into the port of Miami but said they could not.

Then there is the *Vera Cruz*, a sister ship to the *Santa Maria*, which was built in 1952, of 22,000 tons, and we have the same answer with respect to it.

Of course, the latest one is the *Santa Rosa* of the Grace Line, a \$25-million liner, which approached us and we went to New York and had several meetings with them and they did their very best to try to work out something that would allow that vessel to come into Miami, but they could not bring it in.

We have not the proper facilities. The channel is too narrow, and they say the port is unsafe for them to bring that type of vessel into Miami.

MR. CRAMER. General Evans, you have brought up a couple of instances where the people indicated that the channel is too shallow, and I would like to ask your opinion—in that there is a survey resolution for 35-foot depth pending in need of funds—as to the most economical and practical approach to this in that, of course, Jacksonville has a survey resolution for 41 feet and Port Everglades is going to 40 feet, I believe, and of course Tampa is already going and it will be 34 feet.

Do you feel it is or is not economically more feasible to go ahead with the authorization for a deeper 35-foot channel as well as a wider channel, and program them both at the same time for this expanded port project?

General EVANS. Well, Mr. Cramer, we would be delighted to have the Federal Government give us the money and deepen the channel if they would like to do so. However, I certainly would not urge that at this time if it would have any holding-back effect on going ahead with this present project, because we cannot wait. We cannot afford to wait. We recognize the fact that while 30 feet is all right, it will bar certain vessels. We are constructing this port with sheet piling bulkheading, and we will be down so we can go to 37 feet or 40 feet. We are doing that on our own. It costs us more money, but

we are going to do it. Above all, we must have these facilities to take care of the business that is crying to come into the city of Miami through this water port, and we cannot afford to wait, and wait another year, to battle the thing through on getting another survey and hoping to get another 5 feet or 7 feet or 10 feet, and so on.

All of us—and when I say “all of us”, I mean not only the city commission, but the users of the port—and there are many of them here today—the chamber of commerce and all of the port interests are much more interested in proceeding on the present plan as long as we are providing the facilities so that it can be deepened within a few years.

Mr. CRAMER. Is it your opinion, then, that the proposed plan would accommodate deepening in the future to 35 feet?

General EVANS. Oh, yes, it will, most definitely, and all of our plans are laid that way. The Ewin Engineering Corp. was given instructions that they should plan accordingly.

Mr. CRAMER. I notice in your statement at page 3 you say that these plans are being paid out for present surplus revenues and will be completed and ready for taking of bids by the end of 1958.

General EVANS. That is right.

Mr. CRAMER. Do I assume by that then that local action is not predicated or conditional upon the action of this committee or the action of the Congress with regard to authorizing this new project and that work is scheduled regardless of congressional O. K.?

General EVANS. Quite frankly, Mr. Chairman, we know that we cannot get money this year, and we do not know whether we are going to get it next year. However, it is a good project, and the engineers are recommending it, and we are still going to push for the Federal Government participation to the extent of \$3.8 million. However, because we cannot wait for the Federal Government and if we have to wait until next year or the year after that, the city of Miami is already in a position and has set aside three-quarters of a million dollars to take care of a part of the dredging and we are in a position through capital improvement funds which we have available to us year by year to not only take care of that, but all the way up to the entire project if need be, with the hope that this would be considered as a loan to the Federal Government and, perhaps, the Federal Government would be willing, if they give us an authorization and made an appropriation, to pay back to the city of Miami that portion which it had expended in the meantime. I say that because I want you gentlemen to realize how sorely we must have the port. It is not a case of just another project. This is something we have got to do.

Mr. CRAMER. But if you are going to pay for it—as I gather from your testimony—you are going ahead regardless of what Congress does?

General EVANS. We have to.

Mr. CRAMER. I presume you have given consideration to going ahead on a 35-foot channel rather than a 30-foot channel?

General EVANS. No, sir; there is a limit as to where you can go. I do not believe I have with me the differences in the cost of 30 feet and 35 feet, but it would run to several millions of dollars. We are going ahead because certain things just would have to be done. For

instance, one of the things that would have to be done would be to take care of the situation of where the Fisher Island Co. and this man who is moving over here [indicating] with his oil tanks, is at the present time right up here [indicating] in the present port in the northern inlet.

We have oil tanks in the middle of Miami, and we cannot sell that property to the people, however, with those oil tanks and the oil operations there. The Belcher Oil people have agreed in writing to move over to Fisher Island but, of course, they must get into that area through a channel and a turning basin.

Mr. CRAMER. Do they indicate a 30-foot channel is adequate for their oil barges?

General EVANS. Yes, sir; they say that is sufficient for them.

Mr. CRAMER. You know there is quite a difference in depth between the 30-foot port of Miami and Mr. Rogers' port up here at Port Everglades which has authorized 40 feet.

General EVANS. We will never be a major port as far as bulk cargo is concerned. We are not particularly interested in that. They have a tremendous volume of molasses, gasoline, and oil up at Port Everglades. We are not particularly interested in that. It is a package port, and I think you might be interested in knowing that of all of the imports and the exports, the balance happens to be about the same in both instances of things coming into the port or going out of the port.

About 85 percent of everything that goes out is manufactured in the immediate Miami area, and of that coming in approximately 85 percent is intended for people in the Miami area. It is a local situation, and it is a so-called package port, rather than a bulk port. We therefore are not really so interested as they are up at Port Everglades in the 35- or 40-foot depth because we do not have that sort of vessel coming in.

Mr. CRAMER. I know you are interested in making the port an adequate facility which is going to have a long-term life span, and I was asking the questions to try to elicit what your opinion was as to the life of this proposed project.

General EVANS. I want to answer that. One of the things I jotted down when you were talking before is that the present plan on the new port will allow us—and this, of course, is based on our engineering or economic surveys made by the Chief of Engineers, and also our consultant engineers—that the way we propose to build the port at the present time will take care of our needs for approximately 20 years. There is adequate—and I repeat, “adequate,” and more than adequate—expansion area. At the present time, for instance, we have a channel only on the north side of the new port, and no channel on the south side. It can be extended and a channel built on the south side and you can double the capacity of your port. At the present time we have a channel moving down the east side for smaller vessels that could be expanded and another channel on the west side which could be extended over there.

It can be extended to the south by building to the south and it can be extended to the east by building to the east. There is an unlimited amount of possibility for expansion certainly in anybody's foreseeable future even with Miami growing in the tremendous way that it is.

Mr. CRAMER. I hope you appreciate that my attitude is one of what helps Miami helps the west coast, and vice versa, and helps all of Florida.

General EVANS. Yes, indeed. We think this is going to help Tampa a great deal. I have a couple of other matters that may answer some of the questions.

Mr. ROBISON. If I follow you correctly in your résumé of the grand-jury findings, you refer to a taxpayer action.

General EVANS. Yes, sir.

Mr. ROBISON. Has one been commenced?

General EVANS. Oh, yes; yes.

It was instituted, I think, but by one of the gentlemen you will hear this afternoon, probably.

Mr. ROBISON. Will you please bring us up to date as to the status of that?

General EVANS. It was thrown out of court. I am not a lawyer, and probably have not been using the exact legal language, but the original suit was thrown out of court with the judge using such words as "facetious charges," and so forth. They were allowed to file another suit which is being filed now.

Mr. ROBISON. They are in the process of filing an additional suit?

General EVANS. Yes, sir; but we have no fear of the suit at all. It is a nuisance suit.

Mr. SCUDDER. Are there any other suits pending by property owners?

General EVANS. Not directly, but there is one indirectly. We had a rather peculiar situation come up due to the creation of metropolitan government that was created a little over a year ago, and a bill was passed in the State legislature extending the boundaries of the city of Miami, but first let me say that we own Dodge Island, but part of it is in Miami and part of it in Miami Beach. The northern tip of it is in Miami Beach. While it did not make too much difference to us, we thought that the boundaries should be changed between Miami and Miami Beach. The legislature passed such a law changing the boundaries. They did so on the very day, I believe, that the people voted the new charter for metropolitan Miami and that charter took away from the legislature certain powers and put them in the hands of the county, and there is a suit which has been filed by Miami Beach declaring that that legislative action is not valid.

Now, it makes no particular difference to us whether it is valid or whether it is not. That is the only other suit that I know of at the present time that would directly affect the port.

Mr. BLATNIK. Are you through with your statement?

General EVANS. No, sir; I have 2 or 3 other things which I would like to add here:

No. 1: I would like to read into the record this letter which I received from the Chief of Naval Operations. This letter is from Adm. Arleigh Burke, written to me under date of April 5, 1958:

MY DEAR GENERAL EVANS: Your letter of February 28, 1958, concerning the expansion of the port of Miami has been given careful consideration. As pointed out by Admiral Wright in his reply to you, very definite advantages would accrue to the Atlantic Fleet.

Navy policy is to encourage the development of harbor facilities capable of meeting the needs of the fleet for services and dispersal. The harbor developments you have planned appear to meet these requirements and would benefit our overall national defense posture.

Should a committee of the Congress so request, appropriate Navy witnesses would be made available to lend support as may be practicable to your plans for improvement of the Miami Harbor area.

Please accept my best wishes for your success in this project.

Sincerely,

ARLEIGH BURKE.

I think the chairman asked something about why it was that the port of Miami had become obsolete.

Let me point out, Mr. Chairman, that there are two factors in that: One, I think, probably is shortsightedness on the part of certain commissions in the past who had failed to put into that old port a sufficient amount of money or to utilize surpluses in keeping it under repair. It is in disrepair. The bulkheading is rusted, and it is in rather dangerous condition in spots. However, the big thing about that is not so much that, but the fact that we have, for instance, 9-foot aprons. Nine-foot aprons on a port of today is perfectly ridiculous because you cannot handle the kind of cargo that comes in or out on a 9-foot apron. In the new port, we have a 50-foot apron. We have no storage facilities. It was right on the main boulevard. It is crowded in, and we do not have open storage. The operators of the switch engines in order to make up their trains have to take the trains back and forth in order to make them up, all of which will be eliminated when we go over to the new port.

However, we are so crowded in now that we cannot handle the situation. The width of the slip is such that if we get a vessel in, that blocks the slip. While we have a lot of feet in bulkheading, it is not all usable. While it is an old port, having started in 1918, that is not really the whole answer. The answer is that it is just outmoded, and not adequate for modern use.

I have covered the matter of a 30-foot depth, I think, unless you have other questions about it, Mr. Cramer, and also on Port Everglades, I mentioned the type of use there.

I think, then, that the only other thing that I would like to call to your attention is the syllabus which appears on the survey report of Miami Harbor, Fla., made by the Corps of Engineers in which they do recommend that the existing Corps of Engineers project for Miami Harbor, Fla., be modified to provide for the widening of the existing ship channel and enlarging the present size of the turning basin and constructing the Fisher Island Basin as described herein.

I think, however, if you do not object, Mr. Chairman, I would like to introduce a few of these people who have come all this distance to testify in behalf of this project. They do not care to say anything unless you want to ask some questions.

We have, in the first place, 5 commissioners, or 4 commissioners and a mayor. The mayor is one of the commissioners. We have Mayor High of the city of Miami, and Commissioners Hearn, Shiver, De-Breel, and these gentlemen are here because of their interest in this matter.

I also have the city engineer, Mr. Darlow, and Mr. David Volkert, whom I am sure some of you know as the president of the company doing our plans.

We also have with us Rear Adm. Louis B. Olson of the United States Coast Guard, retired, who is representing the Miami Chamber of Commerce, and the Marine Council. Also we have Mr. Alex

Balfe, who is representing the Dade County Development Committee, and representing that group which I mentioned was a group of businessmen who are interested in all civic projects.

Then we have Mr. Gerald Lalor, one of the users, representing the Belcher Oil Co. We have Judge Henderson, who is the president of local 1416 of the International Longshoremens' Association.

I would like to have Mr. Henderson speak to you just a second; I think he has a prepared statement which he wishes to put in the record.

Mr. BLATNIK. Are you through?

General EVANS. I have just 2 or 3 more to introduce and that is all.

Mr. BLATNIK. We are behind time, gentlemen. We do not want to rush anyone, but I might make the announcement at this point that the record will be held open for any supplementary statements or rebuttals and answers to material that has been brought up here pertinent to the project.

General EVANS. Thank you, sir.

Mr. BLATNIK. Judge Henderson, we shall be glad to hear from you.

General EVANS. He is not a judge. That is his first name. I do not think you are a judge, are you, Henderson?

Mr. HENDERSON. No, sir.

Mr. BLATNIK. That is a good-sounding name, and it is a correct name, I assume.

General EVANS. His statement will be put into the record, Mr. Chairman.

Mr. BLATNIK. Do you have a prepared paper with you?

Mr. HENDERSON. Yes, sir; I have some which I will pass out.

Mr. BLATNIK. Without objection, we will include your statement at this point in the record, and if you have any supplementary summary statement you may proceed.

(The statement of Judge Henderson follows:)

STATEMENT OF JUDGE HENDERSON, PRESIDENT, INTERNATIONAL LONGSHOREMEN'S ASSOCIATION No. 1416 IN SUPPORT OF DODGE ISLAND PORT FACILITIES

The longshoremens are, naturally, directly affected by the location and adequacy of port facilities. Their interests extend from the large payroll that the longshoremens receive at the ports, and which they in turn pour into the coffers of the local merchants. Although this payroll has been decreasing in the past years as a result of the reduction in shipping, it still is in excess of \$1 million per year.

An inadequate port causes ships to use better facilities elsewhere, and at times to use substitutes, such as air, truck, and rail. The longshoremens, by exposure and experience in work at the ports, have been able to observe through the years requirements of location and facilities of ports.

They have experienced, for example, the increased size of ships and holds, the new methods of transportation and its handling. The inadequate port facilities in the Miami area have frequently required cargo consigned to this area to turn back to another port from which the cargo was again transported to Miami by truck or rail, which resulted in increased prices to consumers and merchants.

Miami is now a large metropolitan area serving the entire south Florida, and to an extent, the Southeastern United States and South America. The area is no longer dependent on tourist trade alone for its economy. Its industry and manufacturing facilities have grown beyond any past historical precedent, as for exhibit, the tremendous growth of Hialeah in the past 10 years from a population of 20,000 to an excess of 70,000. This growth has been precipitated by a large amount of industry located within its limits. These industries definitely need

good port facilities. To engage in new and larger industries, it is necessary to provide port facilities to handle its need.

The desirability of greater Miami for industry is a result of the proximity of South America. It is better that Miami remain a gateway to South America rather than become a bottleneck, which we would become if our present facilities were not improved.

We observe further widespread use of larger and faster loading types of cargo vessels, which is actually a postwar development encouraged by the Maritime Administration. We have, therefore, come to the conclusion that the new type of transportation facilities, the new type of handling these facilities, and the warehousing space and improvements on warehousing have been advanced in the last years, that in order to provide good and sufficient and adequate transportation of port facilities for an area of our size, it will be necessary to make an entirely new location.

There is no question as to the desirability of the Dodge Island area. It is owned by the city of Miami. There would be no need for condemnation. It is large enough to handle the required facilities as needed now and for years to come. To improve the existing facilities would be a waste of taxpayers' money. Modernization would require large recurring expenditures for maintenance and replacement of all its structural elements. Of course, these facilities may be used until the Dodge Island port becomes a reality and is functioning completely. The extensive rehabilitation maintenance and fire-protection program necessary for a port facility as exists now in the city of Miami would corrode the taxpayers' dollar, provide for uneconomic expenditures for the future and would not provide the modern facilities that are needed as advocated in the Dodge Island area.

The new port would provide more efficient operation, such as reduced ship turning around time, improved truck handling and increase the effectiveness of manpower and machinery and cargo handling.

Consideration must be given to the needs of the Miami area so that it can provide adequate handling of all shipping needs, both commercial and tourist. The nature and location of the port of Miami has been embroiled in political maelstrom for over 20 years. The advocacy of a particular location has met with opposition from either one vested interest or another. Selfishly, at times, opponents have considered their own interests rather than the interests of the entire community.

Thorough, expensive research and engineering have determined that the Dodge location is the most feasible with the greatest benefit to the community at large and with the least detriment to all.

The largest opposition to the Dodge Island location for the port of Miami is based upon shadow fears rather than substantive reality, and even those residents of the island, who, although they will not be directly affected by the port as they claim, and who are engaged in the most vicious opposition to the port, will find, someday when the port becomes a reality that their greatest fears will not have been realized, and it may be that they themselves may recognize gratefully the existence of the Dodge Island port facility.

History records numerous occasions where the greatest opponents to progressive improvements later became the greatest supporters.

We, as longshoremen, have observed through the years the impact of technological changes in transportation methods and terminal requirements. Since the turn of the century, when all piers have been built, steamships have become larger, cargo capacities have become larger and greater increases have taken place in the rates at which cargo can be handled from ship to port. The old horse and wagon has given way to a motortruck, particularly the large trailer type, in transporting freight between marine terminals and their inland destinations.

We would like to make one last observation. The location of Dodge Island port facilities was met with a great deal of controversy and was made a part of the study by the Legislature of the State of Florida.

Opponents and proponents of the Dodge Island facilities met and submitted arguments in behalf of and against the Dodge Island port. After expensive study, listening to exhaustive arguments and expense in both time and money, the State of Florida, through its legislature this session, passed acts enabling the city of Miami to provide for proper port facilities at the Dodge Island area. This has already been accomplished. To change the location, to provide other facilities would again mean years and years of expense and delays, and the up-

setting of all the planning that has already taken effect. The State of Florida, through its legislature, recognized the suitability of the Dodge Island area, and granted to the city of Miami all the laws necessary to finance and maintain the port at such location.

**STATEMENT OF JUDGE HENDERSON, PRESIDENT, LOCAL NO. 1416,  
INTERNATIONAL LONGSHOREMEN'S ASSOCIATION**

Mr. HENDERSON. Mr. Chairman, I hope that this project will go through. It is really needed. I have lived there, and had been president of the organization for 22 years. We have seen the port grow and the cargo. You see, every time a ship is turned back from Miami then that freight has to be shipped back to Miami by rail or truck-lines, which costs the consumers, the merchants and also takes man-hours for that work from our men who make the payroll a little better than \$1 million which goes into the merchants' coffers of the city of Miami.

I thank you, and I hope you will consider this.

Mr. BLATNIK. Thank you, Mr. Henderson.

General EVANS. Mr. Chairman, I will introduce these 4 as 1 group, and that will be the end of my statement. I want to introduce Mr. Murphy, Mr. Read, Mr. Teitelbaum and Mr. Thatcher, all users of the port.

Thank you, Mr. Chairman.

Mr. BLATNIK. Thank you, gentlemen, and we appreciate your testimony.

If there are no further statements from the proponents, we will proceed with the opponents.

Our first witness is Mr. William T. Kruglak, president of the Property Owners' Association of Miami Beach, Fla.

**STATEMENT OF WILLIAM T. KRUGLAK II, PRESIDENT, PROPERTY  
OWNERS' ASSOCIATION, MIAMI BEACH, FLA.**

Mr. KRUGLAK. Mr. Chairman, I would respectfully request that I be permitted to yield to Mr. Morris Lipp, who is the city manager of the city of Miami Beach, Fla. He will make his statement, and introduce his three colleagues who come from the city of Miami Beach to testify, at which point, in all probability, I will then take my turn.

Thank you very much for this courtesy.

Mr. BLATNIK. According to the pending request, Mr. Morris Lipp, city manager of Miami Beach, Fla., will now be heard.

Mr. Lipp, you may present your statement.

**STATEMENT OF MORRIS LIPP, CITY MANAGER, MIAMI BEACH, FLA.**

Mr. LIPP. My name is Morris Lipp. I am city manager of Miami Beach. I have occupied that position since March of this year. I am also city engineer, and have held that position since 1933.

I will now read a prepared statement:

The city of Miami Beach, Fla., is located in Dade County. It is on a peninsula with the Atlantic Ocean to the east and Biscayne Bay to the west. It is approximately 7.5 miles in length and about three-fourths of a mile in width.

In addition several islands located in Biscayne Bay are included in the city limits. The total land area is approximately 7.5 square miles. Although it

was only incorporated as a municipality in 1915, it is now probably the leading tourist city in the Nation. It has a permanent population of more than 50,000. Its facilities can accommodate 150,000 people. Despite the tremendous investments in hotels and apartments houses, it is also a city of homes. There are 6,300 single-family residences in Miami Beach. The total property value approximates \$1 billion. It contributes 25 percent of the Dade County taxes. Its net taxable assessed valuation approximates 8 percent of that of the entire State of Florida. Ninety-five percent of the land on Miami Beach is improved.

The city is small and compact with no opportunity for land expansion. The character of such a city must of necessity be protected. Deterioration cannot be permitted to occur in any area. The well-being of the city of Miami Beach is vital not only to the people of this community, but to Dade County and the State of Florida.

The proposed Dodge Island port lies in close proximity to three residential areas of Miami Beach, namely, Palm, Hibiscus, and Star Islands. The city of Miami Beach is concerned about the attendant nuisances of a port, including noise, smoke, soot, and water pollution. It is fearful that the future will see the erection of ship and ship repair yards. It is possible that future economic conditions may create the establishment of other undesirable facilities.

Prior to a year ago most of Dodge Island was within the city limits of Miami Beach. It is questionable that the act of the last session of the State of Florida Legislature attempting to remove that area from the city limits of Miami Beach is constitutional. We are now attacking that act in the courts.

At the hearing before the Board of Engineers for Rivers and Harbors held January 27, 1958, a responsible official of Dade County stated "There is no question in my mind that when the proper time comes for the county to take over the water port, the city of Miami or Miami Beach, whoever might own it, that we would welcome it and we will not have any arguments to that effect. I am sure of that."

At such time therefore when Dade County purchases the port from the city of Miami, the taxpayers of the city of Miami Beach will be burdened with a project they have consistently opposed. The people of Miami Beach, comprising 7.5 percent of the Dade County population, pay 25 percent of the county taxes.

The city of Miami Beach does not take an obstructionist position in this matter. It agrees that the present port is obsolete. It does assert, however, that the proper location is Virginia Key, which was authorized by Congress in the Rivers and Harbors Act of March 2, 1945.

We are of the opinion that certain basic assumptions in the survey review report of Miami Harbor, Fla., submitted by the Corps of Engineers, are in error. The report implies that the bond indenture of the Rickenbacker toll causeway precludes the construction of a causeway between the mainland and Virginia Key. This assumption creates a conclusion that a car ferry would be required to Virginia Key rather than a railway causeway, and that the added cost of transportation would be 50 cents per ton.

We are of the opinion, from the legal and engineering standpoints, that the construction of a rail causeway from the terminal point in downtown Miami as proposed for Dodge Island is feasible and economically sound for extension to Virginia Key.

We are further of the opinion that whereas all of the vehicular traffic for the Dodge Island site must pass through the heavily congested area of downtown Miami, the Virginia Key site will permit much of that traffic to bypass the Miami downtown area by the use of the Rickenbacker causeway.

To support these statements N. Turner Wallis, consulting engineer, Joe Wanick, city attorney of the city of Miami Beach, and Saul Bennett, MAI, real-estate appraiser and consultant, will make presentations in the behalf of the city of Miami Beach.

That concludes my statement, sir.

Mr. BLATNIK. Mr. Lipp, you state that Miami Beach constitutes a contribution of 25 percent of the Dade County taxes. Would any of Dade County moneys go into the support for the construction of the port and terminal facilities?

Mr. LIPP. No; but it is entirely possible that Dade County will eventually purchase the port. Statements were made to that effect at the hearing before the board of engineers. There is an indication

on the part of one of the officials of the city of Miami that there would probably be no objection to the county eventually purchasing the port from the city of Miami. In that event, the county funds would be used for the purchase and the operation and the city of Miami Beach will naturally have contributed 25 percent of those funds, because it pays 25 percent of the Dade County taxes.

Mr. BLATNIK. Do you have your own port or harbor for Miami Beach?

Mr. LIPP. There is a small installation alongside the Government channel, and there is a Texaco Oil Co. which has a couple of tanks there. The Florida Power & Light Co. has a power station there, and there are some docks also. I can point them out on this map. Right here [indicating] shows the Nos. 4, 5, and 6. There is also this particular location, the Coast Guard station, but the waters alongside the Coast Guard station are comparatively shallow, and not used by boats having 30-foot draft.

Mr. BLATNIK. Are there any further questions? If not, you will present your next witness.

Mr. LIPP. The next witness is Mr. Turner Wallis from Miami Beach, Fla.

**STATEMENT OF W. TURNER WALLIS, CONSULTING ENGINEER,  
REPRESENTING THE CITY OF MIAMI BEACH, FLA.**

Mr. WALLIS. Mr. Chairman, my name is "W." That is a mistake. It is W. Turner Wallace. I have been actively engaged in the practice of engineering in Florida since June of 1920. I have had the pleasure of appearing before this committee on previous occasions when as chief engineer and executive director of the central and southern Florida flood-control projects, this committee was giving consideration to that project and more recently I have been employed by the State agency which administers the sovereign lands inclusive of all tidal bay bottoms.

My earlier occasion to study matters pertaining to Biscayne Bay was in 1927 when I made a contract survey to determine the extent of the area of the reefing extending southerly from Key Biscayne. That was at a depth of less than 3 feet of water. There was a proposal at that early date for the purchase and development of such area being the limit of the area salable under the existing statutes.

The statement that we have submitted and that you have before you is not the complete statement I would like the record to convey. It is only that portion of the survey review report which I consider pertinent to the comments I wish to make. In other words, I have digested in the partial statement before you those matters pending or presented in the report that I think to be of concern to this committee in its consideration of the matter before you, and whether it is one on which you should take favorable action. Personally I do not feel that the survey review report is an adequate presentation of the port problems or of the relative merit of the alternative solution of those problems for the port of Miami.

I feel that the manner in which the benefit-cost ratio of 2.03 to 1 has been reached is a matter of concern to this committee for the precedent it would establish. I know it is a matter of concern to the interests in Florida who are building other projects and who will not

wish to be bound by the precedent of cost-benefit ratios determined in as questionable a manner as they have been done in this particular instance.

With 30 percent of the total benefits labeled "land enhancement," and with that portion of the total benefits divided equally between the Federal Government as being general in nature, and local interests, as fairly measuring the share of cost that should be paid locally, you have the sum of the 70 percent of the transportation benefit plus the 15 percent or one-half of the 30 percent of land enhancement as the alleged basis for dividing the cost of the waterway improvements or the plan of improvement recommended in the survey review report. The largest portion of that 30 percent of total benefit so-called land enhancement are the alternative costs for creating land by use of waste material dredged as part of the Federal project, a portion of which is to be placed on the present terminal, leapfrogging the excavation to be made by the city as a part of their requirement for which no credit is given while their excavation is to be used contrary to the general's statement in his testimony to make the fill of Dodge Island. The remainder of Government fill that supports this land-enhancement benefit is to be placed on Virginia Key requiring pumpage to an excess distance of 11,000 feet, and costing an estimated excess of \$377,000. It is that \$377,000 for excess pumping that increases the local share of contribution from 15 percent to the 21 and a fraction, but it is clearly stated in the report that whether that is done or not is entirely at the option of local interests and it is also stated in the report that there is an indication that local interests will elect to have the Federal material deposited in a manner to avoid the payment by them of that \$377,000.

So you have a great many maybe yesses and maybe noes that do not make this a very conclusive statement of what is intended.

Now, of the \$153,000 total land-enhancement benefit, \$141,000 is arrived at by taking 5 percent of the alternate cost of creating the land that may be created in this manner. That is contrary to every recommendation made by every group who have presented their views to the Congress on the proper manner in which land-enhancement benefits should be reached. You cannot help but feel that the cost-sharing arrangement of this is one dictated by the Bureau of the Budget in accordance with the provisions of Circular A-47, revised, which circular has been the subject of question by committees of the House and Senate and has found little favor.

The remaining \$12,000 of the \$153,000 of land-enhancement benefits is 5 percent of the increase in value estimated for private lands adjoining the present terminal. The report states that the appraised value of that area is \$200,000 today and that, freed for the higher use that the removal of the port will permit, the value will become \$440,000, which is a very ridiculous estimate. It is 5 percent of that \$340,000 that gives the remaining 12 percent of the land-enhancement benefit.

It would seem that if the merits of this project are to be charged in part on that basis, it would be no less than fair for there to have been a monetary evaluation of the devaluation of properties that the report admits will suffer loss in value from being placed closer to the port and being less attractive for the present use that is being made of those properties.

The next area of objection that I have to the survey report is its incomplete nature on questions of first cost. The report says that there was presented a desired report in October of 1956 which became a requested project or plan for improving the port in November of 1957 and that the plant of improvement recommended by the engineers is a part only of the requested plan, being limited to that portion of the waterway improvement easterly of the proposed relocated terminal on Dodge Island. Therefore, the alleged \$6 million of first cost is far from the cost of the facility that will be required and is proposed, and therefore local interests have not had fair consideration of the entire contribution that will be made to the port.

So, without discussing further whether the right location for the improved port is Dodge Island or Virginia Key, the cost-sharing arrangement penalizes local interests in a manner that has not been customary, and it is that aspect of the matter that I have covered in the memorandum, and in this testimony, and on which I shall be happy to answer any questions.

Mr. BLATNIK. Thank you, Mr. Wallis. Are there any questions?

Mr. CRAMER. Has there been any estimate of the total cost of the project?

Mr. WALLIS. There has been, but I am not familiar with that as are others, and would prefer that that question either be supplied for the record or someone else give the answer thereto.

My connection with this is fairly recent.

Mr. BLATNIK. Without objection, Mr. Wallis, your prepared statement will be made a part of the record at this point.

(The statement referred to follows:)

STATEMENT BY W. TURNER WALLIS, CONSULTING ENGINEER,  
REPRESENTING THE CITY OF MIAMI BEACH, FLA., ON PRO-  
POSED PROJECT FOR MIAMI HARBOR, AS RECOMMENDED IN  
SENATE DOCUMENT NO. 71, 85TH CONGRESS

The incomplete nature and limited scope of field investigations and planning, reflected in the survey-review report on Miami Harbor, Fla., submitted in compliance with the resolution, adopted July 10, 1945, by the Committee on Commerce of the United States Senate, increase the difficulties of detailed analysis and unqualified expression regarding the soundness of the conclusions and recommendations for the relocation of existing port facilities on Dodge Island, and the abandonment of the development of Virginia Key. Despite these limitations it is important for the committee to understand the questionable manner in which the 2.03 to 1 benefit-to-cost ratio was determined, and certain peculiar aspects of the recommended arrangement for cost sharing.

GENERAL

By volume of trade, Miami is Florida's third largest seaport, ranking behind Jacksonville and Tampa. The existing terminal facilities are located on the mainland coast just north of downtown Miami, and are connected by a channel 4 miles long and 30 feet deep with the 30-foot contour of the Atlantic Ocean. As a natural harbor, the entire Biscayne Bay area is inferior, but the significance of Miami as a port is attributable to its relative proximity to Latin America and other points in the Southern Hemisphere, to its highly developed internal transportation systems, and to its considerable local market for consumption goods and raw materials. The nearest port of rival capacity is Port Everglades, at Fort Lauderdale and Hollywood, some 20 miles further north. Because it is closer to navigable ocean depths and has a 35-foot channel, Port Everglades enjoys a distinct advantage over Miami Harbor in competing for overseas trade. Its smaller local market is productive of much less coastal trade, however, and the lack of adequate air transportation limits its importance as an international port of entry.

Since prior to World War II, there has been spasmodic local agitation for the renovation or relocation of the Miami port and terminal facilities, accompanied by fluctuating Federal interest in improving the harbor and navigable approaches. Apparently stimulated by national defense efforts, the Corps of Engineers produced a plan in 1942, approved by Congress in 1945 to relocate the port at Virginia Key, 3 miles southeast of the existing facilities but less than a mile southwest of Government Cut through Miami Beach peninsula. An important feature of this plan was the approximately 1,500-acre airport proposed to be constructed on filled-in land at Virginia Key. For various reasons this project was never realized, and the authorized plan has been relegated to an inactive status.

#### PLAN OF IMPROVEMENT

The plan of improvement contemplates the installation of a part only of the required basic improvements at combined Federal and local expense, with certain equally essential facilities to be provided wholly at non-Federal cost. The Federal Government, conditioned on satisfactory assurances for compliance with the prescribed local requirements, proposes to widen the main channel easterly of the relocated Dodge Island terminal and the existing turning basin, and to dredge an additional basin adjacent to Fisher Island.

Local interests must provide the berthing area, approach channel, and all necessary port facilities, and without credit for using the soil excavated between Dodge Island and the existing terminal on the mainland, deposit 3,730,000 cubic yards of fill material to create the 150-acre terminal site on Dodge Island. In support of the highly unrealistic land-enhancement benefits the Federal Government is committed, at the pleasure of local interests, to leapfrog the areas from which the excavated materials will be placed on Dodge Island, and deposit 1,300,000 cubic yards to fill the present terminal site. The extremely remote possibility that an additional 2,127,000 cubic yards will be pumped excess distances of from 3,000 to 11,000 feet to create 130 acres of land adjoining Virginia Key, for which local interests would be charged an estimated \$377,000, accounts for all but \$12,000 of the \$153,000 total annual land-enhancement benefit.

#### FIRST COST

The following estimate of first costs for the work included in the so-called plan of improvement reflects February 1957 price levels:

	Quantity (cubic yards)	1st cost	
		Unit	Total
Ship channel widening .....	2,176,000	\$1.13	\$2,459,000
Turning basin enlargement .....	933,000	.75	700,000
Fisher Island basin .....	696,000	.75	522,000
Total .....	3,805,000		3,681,000
Contingencies .....			552,000
Engineering and design .....			254,000
Supervision and administrating .....			382,000
Subtotal of shared costs .....			4,869,000
Wholly Federal costs: Aid to navigation .....			75,000
Wholly local costs:			
Spoil area bulkhead and dykes .....			838,000
Cable crossings .....			227,000
Total, 1st costs .....			6,009,000

Basing the division of first cost upon an assignment of all transportation equal to 70 percent of the total, and one-half of the land-enhancement benefits as being general in their nature (properly chargeable to the Federal Government), the resulting 85- to 15-percent division between the Federal Government and local interests becomes 78.4 to 21.6, if local interests finally pay the estimated \$377,000 increased dredging costs, and 64.8 to 35.2 by requiring local interests to pay the entire cost of the spoil area bulkheads and dikes and for the replacement of cable crossings. The additional facilities to be provided by local interests, for which no estimate is presented, will reduce materially the percent of the actual total costs of a completed port to be borne by the Federal Government.

## BENEFITS

The average annual benefits attributable to the plan of improvement are summarized as follows:

Item:	
1. Vessel damage costs	\$163,000
2. Tanker delays	18,200
3. Causeway terminal delays	12,200
4. Vessel delays	115,000
5. Vessel and pier damage	30,600
6. Passenger ships	18,000
Transportation benefits	357,000

## LAND-ENHANCEMENT BENEFITS

7. Existing port	84,500
8. Virginia key	56,500
9. Existing oil terminal and adjoining properties	12,000

Total annual benefits	510,000
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Reference item 1: Based upon the estimated 6.3 times increase of 1961-2010 over 1949-56 average oceanborne commerce (5,841,000 and 932,000 tons, respectively), and the average annual known damage for 1949-56 of \$25,800.

Reference item 2: Computed from the total prospective average annual receipts during 1961-2010 of 3,679,000 tons, requiring 228 trips by T-2 tankers drawing 29 feet, at an average delay loss of \$80 per trip, derived from the 58 hours of delay at \$133 per hour during 1955-56, for the 2-year total of 89 inbound trips. During 1956 total petroleum products receipts by tanker were about 323,000 tons.

Reference item 3: Based upon estimated prospective capacity operation of 150,000 tons of dry cargo annually during 1961-2010.

Vessel delays: 86 hours (52 vessels), at \$100	\$8,600
Extra stevedoring: 24 hours' overtime (4 gangs), at \$150	3,600

Total	12,200
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Reference item 4: One-half only of the estimated 2.9 times increase of 1961-2010 average annual deepdraft dry cargo affected over the total for 1956 (632,000 and 234,000 tons, respectively), and the vessel delays and overtime stevedoring costs for 1956 of \$39,700.

Reference item 5: Based upon the estimated 6 times increase of 1961-2010 over 1950-56 average oceanborne commerce (5,841,000 and 972,000 tons, respectively), and the average known damage for 1950-56 of \$5,100.

Reference item 6: Estimated as the equivalent of 3 hours operating time at \$500 per hour for each of 12 passenger-vessel trips.

Reference item 7: 5 percent of alternative cost for filling, \$84,500.

Dredging 1,300,000 cubic yards	\$860,000
Bulkheading	832,000

Total	1,692,000
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Reference item 8: 5 percent of alternative cost for filling, \$56,500.

Dredging 2,127,000 cubic yards	\$1,125,000
Spoil dikes	5,000

Total	1,130,000
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Reference item 9: 5 percent of net future enhancement, \$12,000.

Estimated future values	\$440,000
Present appraised value	200,000

Total	240,000
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## ANNUAL COSTS

The 2.03 to 1 benefit-to-cost ratio is derived from the relation of the above benefits to the following estimate of annual costs:

Interest and amortization of first costs totaling \$6,009,000 at 2.5 percent in 50 years-----	\$211, 900
Increased annual cost of maintenance dredging-----	36, 500
Aids to navigation-----	3, 200
Total-----	251, 600

## ABANDONMENT OF VIRGINIA KEY

The basis for the recommended abandonment of the authorized project for development of a port at Virginia Key is found in the following quoted paragraphs contained in the report by the district engineer, dated November 29, 1957:

Paragraph 51: "It would be feasible to construct a terminal in the Virginia Key area comparable in size to the proposed Dodge Island terminal. A dredged-fill causeway could connect the Virginia Key terminal with the Rickenbacker toll causeway, and a railroad-car-ferry channel could be provided between the terminal and the mouth of Miami River. A car ferry would be required to Virginia Key, rather than a railroad causeway. Terms of the Rickenbacker causeway bond indenture prohibit any additional causeway over Biscayne Bay connecting the city of Miami with Virginia Key or with Biscayne Bay, while any of the bonds are outstanding. The bonds are scheduled to expire in 1971; however, causeway income is not meeting scheduled payments on principal."

Paragraph 52: "Preliminary estimates indicate that the cost of a comparable vessel facility at or near Virginia Key, including ship channel and turning basin, would be substantially more than at Dodge Island. The cost differential is relatively minor, however, compared to the added cost of hauling cargo by rail or truck to or from Virginia Key versus Dodge Island. That added cost is estimated at \$0.50 a ton exclusive of tolls on Rickenbacker causeway. On the average, it would exceed \$500,000 annually. The United States Fish and Wildlife Service reports that a port development in the Virginia Key area would be objectionable because of its adverse effect on fish and wildlife resources of that section of Biscayne Bay.

## REPORT QUOTATIONS

The following statements, copied from the district engineer's report, will be the subject of later comment:

Paragraph 70: "\* \* \* the city representatives stated that substitute spoil areas might be provided in lieu of the planned Virginia Kay spoil area, to reduce the cost of dredging for the plan of improvement and to reduce the local contribution."

Paragraph 77: "\* \* \* The objections to the Dodge Island plan voiced by local interests are not concerned with the interests of navigation and commerce. The objectionable features complained of would be little, if any, worse than those created by the present harbor terminals."

Paragraph 81: "He [district engineer] considers that most of the objections voiced by the opponents of the plan are not valid and should not influence the consideration in this reports of the merits of the harbor development as a solution of the problems of navigation and commerce if it be found otherwise acceptable."

Paragraph 82: "He concludes that the Dodge Island plan presents a feasible and economically justified solution of the problem of relocating and rehabilitating Miami Harbor. He believes that the city of Miami will be willing and able to comply with the proposed requirements of local cooperation."

## EXISTING PROJECT

The following described facilities are incorporated in the existing project for Miami Harbor:

## FEDERAL CONSTRUCTION

*Miami Harbor*

(a) A channel 30 by 500 feet from the ocean to near the outer end of north jetty; thence 30 by 300 feet through entrance and across Biscayne Bay to and

including a turning basin 1,350 feet wide and 1,400 feet long at the municipal terminals;

(b) Two parallel rubblestone jetties at the entrance, 1,000 feet apart and 3,000 and 2,750 feet long, respectively;

(c) A channel 15 by 200 feet from mouth of Miami River to turning basin at municipal terminals;

(d) A channel 8 by 200 feet from mouth of Miami River to the Intracoastal Waterway and thence 8 by 100 feet to Government Cut;

#### *Miami River*

(e) A channel at mouth of Miami River 15 by 250 feet at outer end tapering to 170 feet at Brickell Point in about 1,400 feet; thence a channel in Miami River, 15 feet deep under flood conditions, 150 feet wide for 3 miles, thence 125 feet wide for 1.1 miles, and thence 90 feet wide for 1.4 miles;

(f) A channel 12 by 100 feet from Miami River to a harbor of refuge in Palmer Lake or other suitable location, at the discretion of the Chief of Engineers;

(g) An approach channel 6 by 700 feet to harbor line at City of Miami Yacht Basin (Dinner Key seaplane base), with a widening at inner end, and with a channels 8 by 50 feet along the easterly edge of widening;

#### *Virginia Key (inactive)*

(h) An approach channel 30 by 300 feet along the north edge of Fishers Island to the new turning basin;

(i) A turning basin of irregular shape approximately 2,000 feet wide and 2,000 feet long, with a depth of 30 feet, southwest of the westerly end of the approach channel;

(j) Dredge an additional 12,060,000 cubic yards of material for the enlargement of Virginia Key by 1,460 acres.

Length of the existing project is about 17.7 miles, including about 6 miles of channel from ocean to municipal terminals, 1.6 miles of approach channel to Virginia Key, 5.8 miles in Miami River and its mouth and 3.5 miles of connecting channels leading therefrom, and 0.8 mile at Dinner Key.

#### REQUIRED LOCAL CONSTRUCTION

##### *Miami River*

1. Contribute one-third of the initial cost of the channel from Miami River to the harbor of refuge;

2. Furnish assurances satisfactory to the Secretary of War to provide and maintain suitable depths in the harbor of refuge and construct and maintain adequate mooring facilities therein;

##### *Virginia Key*

3. An auxiliary channel 16 by 200 feet to provide mooring and servicing facilities for yachts and small vessels for a distance of 4,000 feet along the northeast face of the enlarged key, connecting with the southeast corner of the turning basin;

4. A northwest auxiliary channel 16 by 200 feet, approximately 9,000 feet long;

5. Two slips 30 by 400 feet and 1,500 feet long to provide more than 6,000 linear feet of berthing space;

6. Suitable bulkheads in the slips and along the adjacent face of the turning basin amounting to a total of 8,000 feet, along the auxiliary channels for 9,000 feet, and on the southwest side of the key for an additional length of 4,500 feet;

7. Four warehouses, approximately 100 by 500 feet, adjoining the slips and equipped as cargo warehouses and transit sheds;

8. A car ferry, tracks, and loading ramps for handling freight cars between the slips and warehouses and the railroads on the mainland;

9. A landing field with 4 runways varying from 5,100 to 7,200 feet in length with provision for the ultimate addition of 4 more, including grading, paving, grassing, drainage, etc.;

10. Necessary buildings and equipment for the operation of the airport, including administration building, hangars, shops, etc.;

11. Seaplane ramps and the necessary paving, bulkheads, and other auxiliary structures for seaplane operation.

In addition to the foregoing requirements of local cooperation, all work authorized for Miami River and Virginia Key by the Rivers and Harbors Act approved March 2, 1945, is subject to the conditions that local interests—

(a) Furnish, free of cost to the United States, all lands, easements, and right-of-way and suitable spoil-disposal areas for the initial work and subsequent maintenance, as and when required;

(b) Hold and save the United States free from claims for damages resulting from the improvement;

(c) Provide such operating facilities as the United States may require;

(d) In the case of the harbor of refuge in Palmer Lake, agree that, at any time upon the approach of a hurricane or severe storm and specifically upon the request of the district engineer, the refuge basin will be open to all without charge until storm danger is past.

The resolution adopted September 5, 1945, by the Commission of the city of Miami, agreeing to assume responsibility for compliance with the local cooperation requirements imposed in House Document 91, 79th Congress, 1st session (incorporation of the project for Miami River in that for Miami Harbor), except those pertaining to the channel from Miami River to the harbor of refuge, was accepted by the Secretary of War, on May 9, 1946, as satisfactory assurance of partial compliance.

Consisting of 45 piers and wharves, the present terminal facilities are not considered to be a part of the existing project. Four of these, including three municipal piers on the west side of the bay and a privately owned wharf near the east end of the MacArthur Causeway, accommodate deep-draft vessels. The 1957 annual report by the Chief of Engineers is authority for the statement that the facilities are considered inadequate for the existing commerce.

Considerable doubt and confusion has resulted from reference in the survey-review and other published reports to various groupings of items as though they were a part of the existing project.

Exclusive of the Virginia Key portion of the existing project, the July 1956 estimate for initial construction to be undertaken by the Federal Government (new work) is \$7,379,000, with an additional \$23,000 to be contributed by local interests. The cost for such new work actually completed to June 30, 1957, is \$7,218,374, with a further expenditure of \$1,648,218 for maintenance. The \$161,000 difference to be appropriated for completion of the existing project will be used to—

(a) Widen the channel at the mouth of Miami River by 20 to 100 feet for 1,400 feet;

(b) Widen the existing channel along the southerly end of Bayfront Park to 200 feet, to provide a channel 15 by 200 feet to the present turning basin in front of the municipal terminals;

(c) Provide a channel 8 by 200 feet from the mouth of the river to the Intracoastal Waterway, and thence 100 feet wide to Government Cut; and

(d) Provide a channel 12 by 100 feet from Miami River to a harbor of refuge in Palmer Lake.

The statement contained in the 1957 annual report by the Chief of Engineers that "the project was about 49 percent completed" unquestionably has reference to the percentage relation between the \$14,830,200 sum of the above \$7,379,000 estimate for the new work to be undertaken by the Federal Government and the \$7,451,200 revised 1953 estimate for the Virginia Key portion of the Federal project divided into the \$7,218,374 expenditures for new work to June 30, 1957. In other words the existing project which is 49 percent completed on June 30, 1957, includes the Virginia Key portion, but is calculated on the basis of Federal disbursements only.

#### VIRGINIA KEY

##### *First costs, original estimate*

Presumably the 1953 revised estimate for the Virginia Key portion of the existing project covers the total first cost to the Federal Government for only the following 3 items for which the original estimate (S. Doc. 251, 79th Cong., 2d sess.) was \$5,781,000:

(h) Channel 30 by 300 feet along Fishers Island.....	\$581,000
(i) Turning basin 30 by 2,000 by 2,000 feet.....	2,426,000
(j) Dredging approximately 12,060,000 cubic yards.....	2,774,000
Federal construction.....	5,781,000

Based upon the following additional costs to be borne by local interests, the original estimated first costs of the Virginia Key portion of the entire project, exclusive of real estate, total \$16,593,000 :

(3) Northeast auxiliary channel.....	\$357,000
(4) Northwest auxiliary channel.....	364,000
(5) 2 slips 30 feet deep.....	683,000
(6) 21,500 feet of bulkheading.....	1,295,000
(7) Four warehousess.....	550,000
(8) Car ferry, tracks, and ramp.....	220,000
(9) Landing field.....	3,300,000
(10) Buildings, hangars, and shops.....	3,493,000
(11) Seaplane ramps.....	550,000
Required local construction.....	10,812,000

#### PERMISSIBLE MODIFICATIONS

The authorization for Miami Harbor by section 2 of the River and Harbor Act of March 2, 1945, in accordance with the report dated June 24, 1942 (S. Doc. 251, 79th) provides "with such modifications, including rearrangement of the harbor facilities and turning basin, as in the discretion of the Secretary of War and the Chief of Engineers may be advisable;".

In a memorandum dated September 1, 1945, for guidance to action by employees of the Jacksonville district, the district engineer summarized his views regarding the extent of permissible modifications as to—

"\* \* \* not substantially increase the cost to the United States nor substantially decrease the useful capacity of the features to be provided by local interests. It might, however, be possible to defer the construction of some portion of the features to be provided by local interests if assurances satisfactory to the Secretary of War are given that they will be added when, in his opinion, they are needed. It certainly appears that this authority to modify the project cannot be stretched to omit the airport features while constructing the harbor facilities."

#### HISTORICAL BACKGROUND (VIRGINIA KEY AUTHORIZATIONS)

The serious effort in 1937 to develop united support behind a single plan for the enlargement of Miami's harbor facilities resulted in substantial agreement to support the plan known as the Greater Miami port plan, also referred to as the Virginia Key development. By resolution No. 12802, adopted June 10, 1937, the City Commission of Miami formally withdrew all its requests for consideration of previously submitted plans for harbor improvements and requested the Corps of Engineers to consider the new project.

Three schemes were the subject of consideration in the report by the district engineer, printed in House Document 470, 76th Congress, 1st session:

(1) A plan for 3 slips, 2 of which would adjoin the present terminals and connect with a southward extension of the existing turning basin, and one of which would form a part of the so-called Orr plan;

(2) The Orr plan for a terminal island and four slips along the existing channel east of the existing turning basin; and

(3) The Virginia Key plan requested by local interests.

The Chief of Engineers' recommendation that the then existing project for Miami Harbor be modified to provide an approach channel and turning basin at Virginia Key, transmitted to Congress on August 4, 1939, received no action.

On August 6, 1941, the Committee on Commerce of the Senate requested the Board of Engineers to review the report (H. Doc. 470) to determine the "advisability of additional improvements in the interest of air commerce and national defense." The review report was submitted by the district engineer on April 1, 1942, and enacted into law as part of the River and Harbor Act approved March 2, 1945.

The adoption, July 10, 1945, of a resolution by the Committee on Commerce to review the report (S. Doc. 251) on Miami Harbor, and prior reports "with a view to determining whether any modification of the existing project is advisable at the present time, with particular reference to the widening of the main ship channel at Miami Harbor" was preceded by the earlier adoption, August 18, 1944, of a resolution by the same committee for a review to determine "the advisability of increasing the depth from 30 feet to 35 feet."

The widespread opposition which had developed to the Virginia Key authorization was quoted by the district engineer in his memorandum dated September 1, 1945, as the reason for delaying the making of surveys and borings, design of structures, and preparation of contract plans and specifications until it had been determined whether the required measures of local cooperation would be forthcoming. At the requests of local interests, and awaiting a definite acceptance or rejection by competent local authority, the public hearing on the review to determine whether or not the main channels should be widened or deepened to 35 feet was postponed indefinitely.

Although 9 alternate projects were reviewed by the Corps of Engineers during the period from 1934 to 1939, only 3 separate plans were considered; the others representing larger or smaller variations of these 3:

The P. & O. plan, abandoned as inadequate, consisted of enlarging the existing turning basin and developing additional municipal piers and slips between the present piers and the north line of Bayfront Park.

Orr plan, abandoned because of adverse reaction to the large area of the bay to be filled, the obstruction of view from the park, and high cost, provided for a 175-acre island, connected to the mainland by a railroad and highway causeway at a point just north of Bayfront Park. Located 1,000 feet from the causeway, 2,000 feet wide and 5,000 feet long, the island would extend to a point opposite the bridge to Palm Island.

#### PORT IMPROVEMENT STUDIES, 1949-56

In addition to the Dodge Island port plan, developed in 1956 by the city of Miami and the subject of major consideration under the review authority contained in the July 10, 1945, resolution by the Committee on Commerce, 3 additional port studies were made for the city of Miami, and 1 for Dade County Port Authority.

##### KNAPPEN, TIPPETS, ABBETT ENGINEERING CO. PLAN

Employed in 1949 by the city to determine a plan for the future expansion of the port, this firm recommended the repair of the present piers at a cost of \$2,062,112, the purchase of the railroad property for construction of a large pier for an eventual depth of 35 feet, and a rearrangement of the railroad tracts to relieve the congestion on Biscayne Boulevard, at a total estimated cost of \$9,062,000.

##### TREADWELL AND RADAR PLAN

Pursuant to instructions in 1952 by Dade County Port Authority to make investigations, this firm selected a 100-acre terminal on Dodge Island, 600 feet south of the causeway, connected to the mainland by a highway causeway to the P. & O. docks, and with the only railroad connection by car float with the terminus in Miami River. Estimated to cost \$10,600,000, this plan contemplated the filling and sale of the present terminals as an extension of the central business and hotel districts.

##### MOTT PLAN

Entitled "Miami's Marine Destiny—Today's Decisions," this very elaborate plan, estimated to cost \$30,968,615, was presented to the city in September 1955, and provided for repair of the present municipal piers, acquisition of the Belcher and railroad properties for port extension, location of the tank farm and industrial installations on Fisher Island, enlargement of the turning basin and creation of a new island for land development north of San Marco, enlargement of Virginia Key and Burlingame Island, and the installation of buildings in the present port area, including a roof heliport.

##### FIRST RESEARCH CORP.

Employed in 1956 by city of Miami to make an economic study, the report submitted by the above firm recommends the abandonment of the existing terminal facilities due to the disadvantages of maintaining the present port site.

##### DODGE ISLAND PLAN OF 1956

This plan, developed by the engineering department, city of Miami, at an indicated initial cost of \$18,500,000, provided for the abandonment of the present

municipal piers; the purchase and sale to private interests for \$11 million of the railroad and Belcher properties; squaring off the existing Dodge Island to 100 acres for the necessary warehousing, berthing, open storage, trailer parking, and other necessary installations, with a causeway connection through the F. E. C. property; provision of oil storage on Fisher Island, and a passenger terminal on the southern edge of Watson Island.

#### COST ESTIMATES

Unexplained variations and inconsistencies are reflected in the published statements regarding the estimated total cost for the 1956 Dodge Island plan.

In reporting the initial informal consideration by the city commission, A. E. Darlow, city engineer, is quoted by the Miami Herald that the estimated cost of building a port on Dodge Island would be \$16 million, including the cost of a mile-long causeway at about Northeast Seventh Street. At an earlier meeting of the Miami-Dade County Chamber of Commerce to discuss the Mott plan, Lawrence F. Nelson expressed the willingness of Belcher Oil Co. to dispose of its fuel storage depot on Biscayne Boulevard for \$2,500,000, which is the probable basis for a total cost estimate of \$18,500,000.

On November 29, 1957 (par. 70, Survey-Review Report), the plan of improvement and proposed requirements of local cooperation were explained to the city manager and the director of engineering of the city of Miami, who approved the plan and stated that, in their opinion, local interests would be able and willing to meet the proposed requirements. The notice, dated December 11, 1957, by the division engineer on submission of the report confirms that the Dodge Island plan, proposed at the public hearing on October 2, 1956, had been subject to later revision.

Comparison of the sketch attached to the notice with that contained in the Survey-Review Report (appendix D-7, revised November 27, 1957), entitled "City of Miami Port Plan, July 1956," would indicate a significant portion of the revision to be the following enlargement of the area for the new terminal site on Dodge Island.

Dodge Island Terminal	1956 Dodge Island plan	Plan of improvement
Area.....acres.....	90	200
Length, along ship channel.....feet.....	3,300	6,000
Maximum width.....do.....	1,000	2,000
Distances from—		
Harbor line.....do.....	5,000	1,600
MacArthur Causeway.....do.....	1,400	900

On April 27, 1958, following the requested hearing before the Board of Engineers for Rivers and Harbors, the following detail of the major items of the then current \$18,697,200 estimate was published in the Miami Herald:

Dredging.....	\$4,500,000
Deepwater wharf.....	3,400,000
Transit sheds.....	2,400,000
Passenger terminal.....	1,900,000
Causeway installation.....	1,600,000
Administration building.....	1,400,000
Unidentified.....	500,000
Local share of cost.....	15,700,000
Federal share of cost.....	2,997,200
Total.....	18,697,200

During a panel discussion of port possibilities, featured in the June 22, 1958, issue of the Miami Herald, City Manager E. A. Evans was quoted that the \$18,500,000 plan had been scaled down to \$14 million, reducing the loan requirements to \$6 million, which could still be paid off with profits from the port.

## PLAN OF FINANCING

Public expressions regarding the methods under consideration for financing the non-Federal share of costs have been the subject of much criticism.

The thought that the port could be financed without using tax funds was expressed by the city manager and engineer during the initial presentation to the city commission of the Dodge Island plan, who also voiced opinions that the approximately 40 acres owned by the city between Northeast 9th and 12th Streets had a conservative value of \$11 million, while the adjoining 30 acres owned by the railroad was worth \$3,500,000. The importance of a large Federal appropriation to the announced plan of financing the costs of local cooperation from port revenues is indicated by the statement in the November 12, 1956, issue of the Miami Herald that "the city's Dodge Island plan is dependent on a \$7 million dredging appropriation from the Federal Government".

Attributing its information to men on the inside, who insist on not being identified, the Miami News outlined on November 19, 1957, a plan "currently under discussion" for a group of northern real-estate operators from New York, Boston, and Chicago to take over the eighty-odd acre port area under a 99-year lease, and buy from the city \$20 million in revenue bonds, to be retired over a 30-year period, from port revenues and the \$750,000 income from the land lease.

In reporting the advance notice to members of the Florida congressional delegation that the Dodge Island plan had been approved by the United States Corps of Engineers, the Miami Herald on December 7, 1957, quoted E. A. Evans as saying he felt certain the city commission would accept the requirements of local cooperation and that the conditions were anticipated and "purely normal."

During the panel discussion (Miami Herald, June 22, 1958), former Mayor Abe Aronovitz called attention that the latest appraised value for the city's property had been established at \$7,900,000 with no announcement of interested buyers. The reduction to a maximum of \$3,800,000 for the Federal contribution would require the city to increase from \$1,500,000 to \$8,500,000 the amount to be borrowed, necessitating a freeholder election to obtain the required ad valorem tax support for the bonds. Admitting the possibility that the port could not be financed as previously outlined, E. A. Evans stated there was one large bond house willing to carry a \$14 million port loan.

Explaining the reasons for such great hurry to get started, Evans stated further, "the State can't finish rebuilding MacArthur Causeway until we get Belcher Oil Co. moved from the present port."

The Subcommittee on Rivers and Harbors was informed by Mr. Evans at the hearing on July 23, 1958, that the city is able to provide adequate financing through the sale or lease of the existing port site, together with the issuance of revenue bonds to be supported by port revenue.

There have been no disclosures regarding the amounts of severance damage to the remainder of the Belcher property not required as rights-of-way for the proposed overpass of Biscayne Boulevard by the elevation connection to MacArthur Causeway, or the depreciation in the values of the railroad property resulting from being divided by the highway and rail access to Dodge Island, and to the municipal tract due to the location of the sewerage pumping installation.

Being deprived of the use for other needed capital improvements of the proceeds from a sale or lease of city-owned property, and the increase in cost for replacement of usable facilities to be abandoned do not appear to have received proper consideration in the evaluation of the comparative merits of the Dodge Island plan.

*Scope of review report*

The congressional resolution, adopted July 10, 1945, cited as the authority for the survey-review report on Miami Harbor to determine if any modification \* \* \* is advisable at the present time, conveys no warning that the review undertaken would be of as restricted a nature, or that the scope of the work would be so largely dictated by the expressed desires of only the city of Miami. Confirmation at the committee hearing on July 23, 1958 by Gen. John L. Person of the existing authorization (presumably the resolution adopted August 18, 1944) to determine the advisability of increasing the depth from 30 to 35 feet illustrates how the investigation was confined to certain features of no greater importance

than others which have been completely ignored. Without the objections to the Dodge Island and support for Virginia Key at the public hearing on October 2, 1956, it is extremely doubtful that even the relative costs of the two sites would have been considered. Although not so stated, it is clearly indicated that the principal, if not sole, reason for the recommended abandonment of Virginia Key was the desire expressed by the city of Miami for as favorable a recommendation as possible for Dodge Island.

Mr. CRAMER. Mr. Lipp, who is your next witness.

Mr. LIPP. Mr. Wanick.

Mr. BLATNICK. The next witness will be Mr. Joseph Wanick, city attorney for Miami Beach, Fla.

Mr. Wanick, you are welcome here this morning. Will you make yourself comfortable and proceed with your statement?

**STATEMENT OF JOSEPH C. WANICK, CITY ATTORNEY,  
MIAMI BEACH, FLA.**

Mr. WANICK. Thank you very much, Mr. Chairman.

If it pleases the honorable members of the committee, may I open by stating that I have listened most attentively to all of the proceedings had before this committee and I can say in all sincerity—

Mr. FALLON. Mr. Wanick, you are city attorney for the city of Miami Beach?

Mr. WANICK. Yes, sir.

Mr. FALLON. Are you elected or appointed?

Mr. WANICK. I am appointed by the city council.

Mr. BLATNICK. How long have you been in that position?

Mr. WANICK. I have been acting city attorney for a term of 2 years, and I am presently in the middle of my second term as official city attorney. I have been an assistant city attorney for the city of Miami Beach since July 1, 1950, continuously in that capacity.

As I started to say, I have appeared upon occasion before many tribunals and I can truthfully represent to this committee that I am deeply impressed by the intelligence of this tribunal and its fairness and impartiality as evinced by its questioning.

My role here is, of course, as an official representative of the city of Miami Beach. I would admit that the city is in a rather unique role in that it is appearing before this particular committee not to ask it to disburse Federal funds, but to refrain from so doing for the time being. The reasons for asking that restraint upon the part of this committee I think will be made apparent as I proceed.

It is my thesis, if it pleases the members of the committee, that I myself am not an engineer, and I think other members of the committee may make the same admission without apology. We are confronted evidently with a situation where the experts themselves are in disagreement.

May I digress just for the moment to say that Mr. Lipp who has already appeared before you has been quite modest with reference to his own qualifications to speak before you. Mr. Lipp refrained, from a becoming sense of modesty, to tell you that he has been the city manager for the city of Miami Beach since its practical birth. He is now the city manager of the city of Miami Beach. I might add that he is also a duly-admitted member of the Florida bar. His qualifications, then, I am sure, are certainly not open to criticism.

I think that Mr. Darlow, the engineer for the city of Miami, would be the first to vouch for the qualifications of Mr. Lipp in his role as a qualified engineer. I think the Corps of Engineers of whom General Person was a representative would also admit that because Mr. Lipp also served in the Corps of Engineers.

You gentlemen are confronted with a situation where not only the experts—and qualified experts—are in disagreement on this project, but the local sentiment of the entire populace of Dade County is likewise in disagreement. Some of those who are for and possibly some of those who are against may not yet be in full possession of all the facts, so that they could intelligently come to any conclusion. We are asking this committee to rely upon the old adage that time proves all things. We also very vehemently oppose the attitude of the city of Miami in attempting to rush this thing through without any consideration. I am reminded of the little anecdote in Alice in Wonderland where they offered her a glass of liquid to drink. It was labeled for drinking, and that child with the intelligence of an infant says, "I don't know whether I should drink it or not, because it may be poisoned."

This cup which General Evans is offering to you may well be poisoned. General Evans alluded to the fact in a seeming spirit of frankness that there are small dissident groups. If the city of Miami Beach is a small dissident group, which was intended to be included among the dissidents alluded to by the general, might I respectfully take issue with him, because in my opinion the city of Miami Beach is not a small dissident group. The city of Miami Beach—and in my remarks for the next few paragraphs if I seem imbued with braggadocio, forgive me, because I think the facts are well known to those members of the committee who have visited the city of Miami Beach and will know that there is truth to what I say.

I respectfully submit to this committee that the economy of Dade County as a tourist center is dependent upon the welfare and the well-being of the city of Miami Beach, because people do not go to Miami for a vacation; they come to Miami Beach, and if it were not for Miami Beach, the city of Miami would be a little more than a comparative mud village that it was at the turn of the century.

Mr. BLATNIK. Mr. Wanick, at that point may I ask has your city council or your local governmental body of the city taken any formal action.

Mr. WANICK. Yes, sir, Mr. Chairman, and I am awfully glad that you asked me that. I represent a city council composed of seven members. The council has presented an unalterable and united opposition to this project and there is no one who can say that the city council or city of Miami Beach has embarked upon a course of procedure that is intended to be detrimental to the city of Miami Beach. I submit to the members of this committee that it has taken every step possible to oppose this project by every honorable means. It has appeared before the division engineer and it has gone to great expense in sending myself, Mr. Lipp, and other representatives of the city to the hearing before the Corps of Engineers. This is our second trip to appear before a governmental agency of the Federal Government in opposition to this project. For the first time in the long history of cordial relationships which have existed between the city of Miami and the city

of Miami Beach, because of this project, we have been forced to engage in litigation with a good and beloved neighbor. That litigation is still pending, and the purpose of that litigation is to establish the fact that this proposed port is not within the corporate limits of the city of Miami, but lies within the corporate limits of the city of Miami Beach and subject to its jurisdiction and its regulations including, may I add, the question of zoning. This proposed Dodge Island lies in an area of the city of Miami Beach under the allegations of our bill of complaint, and that area is zoned for single-family homes. The purpose of that zoning was, of course, to preserve the beauty—the incomparable beauty—and charm of Miami Beach, which makes it the mecca of tourists from all over the world. I take justifiable pride in the growth and the beauty and the magnificent panorama which the city of Miami Beach possesses.

It is the view of the city council that the beauty and attractiveness of the city of Miami Beach will be seriously impaired by the installation of this project.

Do you gentlemen need any argument to demonstrate the manifest truth of the fact that a port necessarily entails pollution of water, that it necessarily entails dirt, smoke, soot, noise, and how can it be argued that this thing could be helpful to the city of Miami Beach?

These are the views of the city council of the city of Miami Beach, a municipal corporation just as vitally interested in this matter as is the city of Miami. Are you gentlemen going to accept General Evans' invitation to come to a rapid decision and disregard the voice of the city of Miami Beach?

I turn now with the permission of the committee—

Mr. CRAMER. Will the gentleman yield?

Mr. WANICK. Yes, sir.

Mr. CRAMER. Is it my understanding that the city of Miami Beach officially is the party litigant in this present litigation?

Mr. WANICK. The title of the case, Congressman Cramer, is "The city of Miami Beach, a Florida municipal corporation, versus the city of Miami, a Florida municipal corporation."

I drew the bill and filed it.

Mr. CRAMER. Regardless of the outcome of this hearing, I will say that Miami Beach and Miami are bound to gain because they sure send up some good salesmen with regard to the attractiveness from both areas.

Mr. WANICK. May I say this, Congressman Cramer:

I concur in your statement that anything that helps the east coast will manifestly be to the advantage of the west coast. I also adhere to the doctrine that the converse of that is also true.

May I digress from a role which ill becomes me—I know that I would starve as a statesman—but let me allude briefly to one of the things that appeals to me within my chosen field, and your field, that fate thrust me into.

I pose this question for the consideration of the committee; namely, that the Corps of Engineers act within the four corners of the authorizing legislation of this Congress. I think that there is a serious doubt as to whether they did stay within the confines proposed by that

authorizing resolution. The resolution is quite short. I would beg the indulgence of the committee if I may read it. It reads as follows:

*Resolved by the Committee on Commerce of the United States Senate, That the Board of Engineers for Rivers and Harbors created under section 3 of the River and Harbor Act, approved June 13, 1902, be, and is hereby, requested to review the report on Miami Harbor, Florida, submitted on October 30, 1943, and previous reports, with a view to determining whether any modification of the existing project is advisable at the present time with particular reference to the widening of the main ship channel at Miami Harbor.*

If it pleases the members of the committee, there was in existence at the time of this resolution only one authorized port, or project, and that was the Virginia Key project. As I read this authorizing resolution, they were instructed to review the Virginia Key project.

Armed with those instructions, the district engineer came forth with this report, a bulky, voluminous, well-documented report. This report was, of course, approved by the division and also by the Corps of Engineers. This study is not a study of the Virginia Key project at all; it is devoted to Dodge Island, and an entirely new project not contemplated, not known to exist at the time of the adoption of the congressional resolution. I want to be fair. There is an allusion to the Virginia Key project. It consists of one short paragraph with reference to the Virginia Key; in other words, a kiss on the fingertips of destiny and then woven into the four winds. But even this report makes this statement, and I quote:

It would be feasible to conduct a terminal in the Virginia Key area comparable in size to the proposed Dodge Island terminal. Preliminary estimates indicated that the cost of a comparable vessel facility at, or near, Virginia Key, including ship channel and turning basin, would be substantially more than at Dodge Island. The cost differential is relatively minor, however, compared to the added cost of hauling cargo by rail or truck.

General Person indicated to you no exhaustive study had been made of the Virginia Key project at all, so this statement saying preliminary estimates—and I doubt if they could be characterized as such, and if they were sketchy I think that that would be a charitable statement—so there has been no exhaustive study made of the Virginia Key project. As far as they did go upon it their conclusion is based upon an entirely fallacious premise. They allude to the fact that there is in existence a bond indenture between the county of Dade and the bondholders of Rickenbacker causeway which forbids the construction of another causeway. It requires no great amount of legal learning to immediately conclude that first the city of Miami is not a party to that bond indenture, and while I do not advocate the encouragement of breach of bonds, nevertheless the bondholders of the Rickenbacker causeway would welcome any project on Virginia Key which would add to the revenues of Rickenbacker causeway, which a Virginia Key project would inevitably do.

I might add by way of interpolation that those bonds are in default and have been for a substantial period of time.

The public press has taken note of this controversy. The Miami Herald, a paper of tremendous influence in Dade County, has been vigorously opposed to this project. The Miami Daily News, whose critics characterize it as being a lesser journal, is in favor of it, but it indicates throughout, gentlemen, the welter of controversy which

this project has engendered. And any time the city commission of Miami is criticized for embarking on this project with the haste with which it is imbued, the reply is that the Corps of Engineers has approved it. That is the only selling point for it. They remain significantly silent in their attempt to educate the people as to the desirability, or lack thereof, of this project; that they were the ones that took the Corps of Engineers by the hand and led them to Dodge Island.

Mr. BLATNIK. I hate to interrupt, but if the chairman may suggest, perhaps you could stick more to the facts and reduce to a minimum references to personalities, primarily because of the pressure of time.

Mr. WANICK. I will conclude my statement. I do appreciate your generosity.

Mr. SCUDDER. I would like to ask a question. After hearing all the testimony regarding Florida, I am rather inclined to put in a word for California. What is the direction of the prevailing winds in this area?

Mr. WANICK. Southeasterly, which brings the smoke, soot, and cinders to directly over Miami Beach.

Mr. SCUDDER. The winds would pass over Miami, then directly across Miami Beach?

Mr. WANICK. You are exactly right.

Mr. FALLON. Do I understand that the breeze holds across Miami City or Miami Beach?

Mr. SCUDDER. Miami Beach. The smoke, soot, and the smog, as we call it in California, would pass over Miami Beach.

Mr. BLATNIK. We thank you very much. A supplemental revision of your remarks will be permissible.

The committee will stand adjourned until 1:30 o'clock this afternoon.

#### AFTERNOON SESSION

Mr. BLATNIK. The Rivers and Harbors Subcommittee of the House Public Works Committee will resume its session in further hearing on the Miami Harbor project in Florida.

Mr. Morris Lipp, city manager of Miami Beach, Fla.

Mr. Lipp, who is our next witness?

Mr. LIPP. Mr. Chairman, I would like to present Mr. Saul Bennett, our closing witness.

Mr. BLATNIK. Mr. Saul Bennett.

#### STATEMENT OF SAUL Z. BENNETT, REAL ESTATE APPRAISER AND CONSULTANT, MIAMI BEACH, FLA.

Mr. BENNETT. My name is Saul Z. Bennett. I am a real-estate appraiser and consultant. My offices are in Miami Beach, Fla.

Gentlemen, I have been requested by the city attorney of Miami Beach to give you a brief outline of some of my qualifications. I am presently serving as the national vice president of the National Institute of Real Estate Appraisers. I am the international governor of the Society of Residential Appraisers, past president of the Miami Beach Board of Realtors, member of the National Highway Board

of the National Academy of Sciences, and member of the National Right-of-Way Association.

I am employed by the agencies of the United States Government all over the world in their acquisition and evaluation of property.

Last week, I was requested to study the situation and the possible effects of the comprehension of Dodge Island port as contemplated by the city of Miami. I studied the situation and I came to the following conclusion:

It is my opinion that the erection of this port at this location would be detrimental to the surrounding properties; namely, Palm, Hibiscus, Star Island, and the south end of Miami Beach, for the following reasons:

(1) For a good number of years Biscayne Bay has been polluted with sewage disposal and through the concerted efforts of citizens of Dade County this situation has been cleared. For many years small-boat owners and bridge fishermen have not been able to enjoy the sport of fishing in Biscayne Bay due to this sewage pollution. The situation has been corrected and if and when this port is constructed at this location, it is my opinion that Biscayne would be polluted with debris and oil slick and sewage.

This, of course, would work havoc in regard to odor and enjoyment of outdoor living, for those properties fronting on Biscayne Bay.

(2) The congestion we now face, due to the port being where it is presently located, would be minute in my opinion, due to the additional traffic, both in cargo and tourist passengers. The railroad spurs now bisecting Biscayne Boulevard, United States Highway No. 1, would still exist, and would possibly be enlarged. That area is one of the most heavily traveled sections in the city of Miami, due to the close proximity to the causeways and the downtown area.

(3) Soot, the noise, the dirt, and the vermin that would be incurred by this port would be detrimental to the residential properties on Palm, Hibiscus, and Star Island.

(4) The erection of a port as presently contemplated would eventually mean an enlargement of said facility if it is at all to be successful, which would mean enlargement of warehousing, a great possibility of erection of gasoline storage tanks, and the erection of ship repair service facilities. This would additionally create objectionable nuisances, noise, soot, smudge, and oil filtration, all of which is not harmonious to a good residential development.

It is my opinion that Dade County certainly should have a deep-sea port and should be situated in a location which would be the least objectionable to good residential living, and would cause the least confusion in the traffic pattern in the city of Miami.

It is very difficult for me to try to ascertain the damages that would accrue to the properties previously mentioned, namely, Palm, Hibiscus, and Star Island, if the port should be built on Dodge Island. Certainly there would be a damage, a great damage in my opinion, if this blight is permitted to creep on to these surrounding properties, the southern end of Miami Beach, Palm, Hibiscus, and Palm Island. I shall be happy to answer any questions you may have.

Mr. BLATNIK. The gentleman to my right?

To my left?

Mr. Dooley.

Mr. DOOLEY. What is the total population of the islands, Palm Island, Hibiscus, and Star, which seem to be adversely affected?

Mr. BENNETT. I can't tell you the population but I can tell you the evaluation of the properties. The approximate value of those properties excluding the south end of Miami Beach is approximately \$15 million in high-class homes on the three islands.

Mr. DOOLEY. Did I understand you to say you could not determine to just extent the damage would be to these islands?

Mr. BENNETT. No, sir. I went up to Port Everglades.

Mr. FALLON. A few minutes ago did you say it was hard for you to assess the damage?

Mr. BENNETT. In dollars and cents. In other words, from the \$15 million how much of that would be depreciated? I have an opinion but it is just a judgment opinion.

Mr. McFALL. Mr. Chairman.

Mr. BLATNIK. Mr. McFall.

Mr. McFALL. You say you have an opinion. What is that opinion?

Mr. BENNETT. I estimate about one-third or about \$5 million of this \$15 million development would be affected by this port being created on Dodge Island.

Mr. McFALL. Would you give us the reasons for your opinion?

Mr. BENNETT. I think I mentioned I try to get up to Fort Lauderdale. I do work there and study the Port Everglades port which is one of our main ports in the area. All properties around Port Everglades are industrial. We have very little residential development, except to the north, where they built the islands. In my evaluation for eminent domain or for municipalities or for mortgage companies, I sat down and I tried to determine how much it would affect me if properties were located without taking a particular piece of property, and using one as an example, I came to about 33 percent depreciation of the close proximity. It is less than a quarter of a mile from Palm to the new proposed port, so that is the reason I got the \$5 million as a judgment guess, if you want to call it that. There is nothing that I could compare it with, that I could go back and say this is the value before and after the port. We haven't got that situation at the present time.

Mr. McFALL. As far as Port Everglades is concerned?

Mr. BENNETT. They moved the high-class residential property to the north, on those finger islands, but everything around it is now industrial or commercial use.

Mr. McFALL. Thank you.

Mr. DOOLEY. If the gentleman will yield, you mentioned Port Everglades and Lauderdale. Would you say the big Marina at Lauderdale is a disadvantage to the community or is an advantage?

Mr. BENNETT. I think it is a tremendous advantage to the community.

Mr. DOOLEY. How do you dispose of sewage in Miami? You say it doesn't go into Biscayne Bay.

Mr. BENNETT. At one time they used to dump it into Biscayne Bay but they have a sewage disposal plant there now.

Mr. BYRNE. Just like Chicago. It is a great town.

Mr. BENNETT. It is a great town. I go up there twice a year.

Mr. BLATNIK. If there are no other questions, you are excused.

Mr. BENNETT. Thank you, Mr. Chairman.

**STATEMENT OF HON. ROBERT KING HIGH, MAYOR, CITY OF  
MIAMI, FLA.**

Mr. HIGH. Mr. Fascell, members of the committee, I am Robert High. I am the mayor of the city of Miami. At the outset I would like to tell you my remarks before you will be extremely brief because my good friend and the former mayor of Miami, has just been taken to the hospital, with a mild heart attack, and I must get back to the hospital immediately to see how he is doing. I will be quite brief so I can get back over there and attend to whatever needs he has.

I approach this situation from two points: One is that when I was running for office of mayor I made one of my issues that the building and the construction of any port should be a metropolitan function, should be under the jurisdiction and control of the metropolitan government, for the reason that a port not only serves the city of Miami, but is a benefit to the entire area and therefore it was my thought and my belief, and still is, that the taxpayers of the municipality should not be saddled with whatever cost such a port commands.

Evidently that was well received by the populace, the voting populace, because I was fortunate enough to be elected to this office.

Secondly, admittedly the Miami area is in need of improved and adequate port facilities. I agree with our city manager, who says that the Miami port is a package-type port, that it does not lend itself to the heavy cargo and the heavy material import and export that is served by the Port Everglades facility, some 18 miles to the north of us, that the city of Miami port lends itself to the small crew ships that leave from Miami and last for from anywhere from 1 to 10 days in the Caribbean area and some ports of call in South America, but admitting this need, I feel further that to construct such a port in the middle of the beautiful Biscayne Bay would debauch that bay and would be an eyesore to the beauty of that bay for years to come. It is for those two reasons that I object to the location of the port, a commercial port, that by its very nature commands shipments such as crawfish and conch shells, and the various life that comes into any port, albeit the package-type port that Miami can accommodate.

I agree with General Evans when he alludes to the fact that because of the geographical nature of our port, that it does not lend itself to the heavy type of cargo, import and export, that is carried on by Port Everglades.

So, then, in summation, true, we need adequate improved port facilities to serve our area, but must it be in the heart of this beautiful bay?

Are there any questions?

Mr. BLATNIK. Mayor, just so I understand clearly, do you recommend any other alternative to the proposed location on Dodge Island?

Mr. HIGH. That question has been posed to me before and I readily admit that I am not an engineer. I can tell you only, sir, that I do feel that it should not go at its present proposed site. Virginia Keys does lend itself to a facility because it does get it away from the heart of Miami, which seems to have some objections to it, because it does come right into the heart of Miami and is away from other municipalities and other residential areas that might be affected by any port.

If that not be the case, then it would be my thought that, where an existing facility is already there, and has been for years and the people are accustomed to it where it is, that some serious thought then should be given to the rehabilitation of the present port site, rather than to place a port in the middle of the bay, which because of the need for makeup yards for trains and the like, would create, to me, a debauching of that bay.

Mr. BLATNIK. How much money is there estimated would be required of the city of Miami to build adequate port facilities and terminal facilities?

Mr. HIGH. At the Dodge Island port site?

Mr. BLATNIK. Yes.

Mr. HIGH. It has been estimated that the cost of this facility would run \$18.5 million. I do not know, gentlemen, whether or not this contemplates the additional pumping out to enlarge the Dodge Island area. I am not sure if that figure took into consideration this additional land requirement.

Mr. BLATNIK. Are there any questions, on my right?

Mr. FALLON. Just one. As I understand it, you are the mayor of Miami City.

Mr. HIGH. Yes, sir.

Mr. FALLON. You are opposing locating at Dodge Island?

Mr. HIGH. Yes.

Mr. FALLON. Did I understand your city manager testified here this morning that he was in favor of locating it at Dodge Island?

Mr. HIGH. Yes, sir. I believe without any doubt that the majority of our commission favors that. We just disagree at this location.

Mr. BLATNIK. Questions on my left?

Mr. SCUDDER. Mayor, you feel that the Port Everglades port would be sufficient to take care of the heavier freight that comes into that area?

Mr. HIGH. I think so. I do not believe that even our strongest proponents of Dodge Island contemplate that we would take in the super-heavy cargo that is now handled by Port Everglades. I do not believe they believe that, because as Mr. Evans stated, the Miami Port lends itself to a package-type port, not only in import and export, and I have added that it accommodates itself well to the smaller-crew ships from 1 to 10 days in duration that ply the Caribbean area.

Mr. SCUDDER. Then the present depth of the channel is sufficient to take care of the type of traffic you think is necessary for the Miami area?

Mr. HIGH. It is my understanding that the present channel has sort of filled in with a lot of sludge.

Mr. SCUDDER. Thirty feet, I believe, is the authorized depth.

Mr. HIGH. Yes.

Mr. SCUDDER. Thirty feet would be adequate to take care of the facilities?

Mr. HIGH. That now come in there?

Mr. SCUDDER. Yes.

Mr. HIGH. I think so. I am not talking as an engineer and I don't propose for you to get any such impression.

Mr. SCUDDER. If it is the intent to take care of larger ships, then you would have to deepen the channel. I realize that many of the Liberty-type ships can operate there presently.

Mr. CRAMER. I do not believe too many members of the subcommittee are familiar with the legislation under which you are now operating. It is the metropolitan government, and particularly as it relates to your point of view, as you expressed it—and you can correct me if I am not correct in my statement of your position—that you believe the metropolitan government should have jurisdiction over the matter. Would you explain further to the committee what has transpired in setting up this new metropolitan government as this relates to your position?

Mr. HIGH. Well, the metropolitan government is a bold advance in government in the United States. It is a new advance in government. The theory behind metropolitan government is to have a central governmental agency to handle problems that are areawide in their scope and handle those problems that, up until now, have been the primary responsibility of some 26 municipalities that are located in Dade County.

Some of those areawide problems, for example, would be sewage disposal. It is obvious that if one city was equipped to handle its sewage disposal and a city adjacent to it either could not or would not, then you have not solved your sewage disposal problem because health knows no particular municipal boundary. Sewage disposal, then, is the type of problem that would be handled areawide, certain bridges to span the Miami River, because they are used by all of the people in Dade County, is an areawide problem that should be handled by a metropolitan government. That type of areawide function that cannot be handled by the municipalities is the type of thing that the metropolitan government is designed and was created to handle. Under their charter, ports come within that purview, and because a port serves not just a municipality but because it serves, if it has any benefit at all, the entire county, that then would seem to be a proper function of metropolitan government, and the cost, of course, would be shared by all of the populace and not just the people who live within the confines, the municipality of Miami.

It was that type of thing—was one of the things I campaigned on, and apparently it was received well, if my election means anything.

Mr. CRAMER. As I understand it, the legislature passed the authorization act for metropolitan government.

Mr. HIGH. Yes, sir.

Mr. CRAMER. The people approved it?

Mr. HIGH. Yes, sir.

Mr. CRAMER. The State Supreme Court approved it.

Mr. HIGH. Yes.

Mr. CRAMER. What is the present status of that metropolitan government consolidation movement at this date?

Mr. HIGH. It is in being, and some people will say that some of their functions are not particularly pleasing to them, but it is, nevertheless, in being. It is in operation. They have not undertaken, however, to take on the building of a port.

Mr. CRAMER. Your metropolitan governing body has been appointed, or elected? Which is the case?

Mr. HIGH. They were elected and there is a provision in our charter for the election of 6 more, to fill out a complement of 11 metro-

politan commissioners. That election is due sometime in September of this year.

Mr. CRAMER. How many do you presently have?

Mr. HIGH. Five.

Mr. CRAMER. Are they your present county commissioners?

Mr. HIGH. They are our present county and metropolitan commissioners. They are the legislative body right now.

Mr. CRAMER. Six more will be elected at the general election, is that right?

Mr. HIGH. That is correct.

Mr. CRAMER. I wanted to bring that to the attention of the committee to understand the difference between metropolitan government in this instance and municipal government in general.

Mr. BLATNIK. If there are no further questions, thank you very much.

Mr. Mayor, on behalf of the committee, please extend to the former mayor, Mr. Aronovitz our deepest regrets and our most sincere best wishes that the attack is very mild, and that his recovery will be speedy and complete, and if there is any service or assistance we can do, please let the committee know at once.

Mr. HIGH. Thank you, very much.

Mr. CRAMER. May I join in that sentiment. Former Mayor Aronovitz is known throughout the State of Florida, and his services are well known and appreciated. I wish him a speedy recovery.

Has this presently constituted metropolitan government authority, made up of your present county commissioners, taken a position concerning this matter?

Mr. HIGH. I think they have taken two positions. One is that, in the beginning, that they were perfectly willing to let the city of Miami continue with its plans, and recently they passed a resolution to the effect that they were considering looking into the port problem, whatever that means.

Mr. LIPP. Mr. Gordon will speak next, and then I will complete for the opponents.

Mr. BLATNIK. Mr. Jack B. Gordon, chairman, Committee of 1,000 Against Dodge Island Port, Miami, Fla. We welcome you, Mr. Gordon.

Do you have a prepared statement?

Mr. GORDON. Yes.

Mr. BLATNIK. You may proceed.

#### STATEMENT OF JACK D. GORDON, CHAIRMAN, COMMITTEE OF ONE THOUSAND AGAINST DODGE ISLAND PORT, MIAMI, FLA.

Mr. GORDON. My name is Jack D. Gordon. I am a resident of Miami Beach. I am chairman of the committee against the port. I want to tell you just a little bit about my background, as I testify about some of these matters about which I might have some special knowledge.

I have been a resident of Miami Beach since 1940. I was an original member and am presently the chairman of the Housing Authority of the city of Miami Beach. I was a member of the original national committee that set up a planning committee in the city of Miami Beach, on the official planning board. I am 1 of 2 businessmen in the Southeast who is a member of the national board of directors of the Better

Business Bureau. I have been a president of the Better Business Bureau of Miami Beach.

I am president of the Washington Federal Savings & Loan Association in Miami Beach, which was founded by me and some others, some 5½ years ago, which is now an institution with some \$38 million of assets and a growth record which has set a record for the entire country.

I have some knowledge, I think, particularly of reading reports. I do not profess to be an engineer, but I have read many an economic survey. I have read many a report, and I must tell you gentlemen that I find that the survey review report on Miami Harbor is one that I have very severe disagreement with. I think that the cost-benefit ratios as shown in that report can be justified on the basis of the report, as you will see on page 4-A of the prepared statement. It can be shown to be on the basis of information in the report itself, a cost-benefit ratio of 1.16, rather than 2.03 that the engineers arrive at.

I will go through that in a moment for you. I think further that on the basis of the testimony we have had today about land enhancement that you can knock out about two-thirds of the land enhancement value on the basis of Mr. Evans' testimony and on the basis of the other testimony that has been given here.

Let me start my presentation by going to the map and pointing something out to you that these gentlemen have not pointed out.

Let's go back and look at the original present port of the city of Miami, which is covered here. The property from here, which is bay-front park, north to about Ninth Street, is owned by the Florida East Coast Railroad. The property from here, where it shows these three slips, is owned by the city of Miami. The Florida East Coast Railroad if it were filled out to this line, which is proposed and shown as a land enhancement benefit on the report, would encompass 35 acres. The city of Miami, properly filled in, would also be 35 acres, and the property from this slip or from half of this point to this road, Federal High, is 20 acres. It is owned by the Belcher Oil Co., and some of the lands enhancement benefits that have been talked about were the land enhancement benefits to this private owner. The larger portion of the land enhancement benefits are to the Florida East Coast Railroad, all of whose slip has to be filled in, in order for, as Mr. Evans pointed out, for all of this property to be sold.

Obviously the city of Miami cannot get the same price for this property in the middle if Belcher leaves his oil tanks here or if the Florida East Coast Railroad leaves this big port that has Mr. Ball's drydock on it, and a lot of very ugly installations down here.

They have to see that this gets up and see that the Florida East Coast Railroad sells it to somebody or maybe they can sell it in conjunction to an individual who will then own both of these pieces.

Perhaps they can get Belcher to sell to that same individual. On that basis they can arrive at the highest price for this property in the center.

It offends my sense as a person who has to observe real-estate values every time we pass on a loan to have this information not given fully to the committee. It also offends my good sense in just looking at reports to have a land enhancement benefit which is to be gotten from filling in this property of the Florida East Coast Railroad, called a

land enhancement benefit to the people of Miami, because it isn't. It is a way to make some money for the Florida East Coast Railroad.

I have no great objection to that. I just object to that benefit to this private owner and a benefit to the Belcher Oil Co. being used to justify a report.

Gentlemen, I only am basically objecting to this report now on the basis of the engineers' report. I am not going into the question of whether this is a good or bad way to report these things, but this is the way they are brought to your committee, by the Corps of Engineers, who have to look at this report and say, "Gentlemen, this justifies this improvement." I tell you that particularly when this land enhancement benefit is for a private owner and this land enhancement is for a private owner and when Mr. Bennett, who is eminently qualified as an appraiser tells you there will be \$5 million damage here, and if you take this on the 20-year basis, 5 percent or \$250,000 loss, in land enhancement, then you knock out more land enhancement than they have in the report. You can just eliminate the whole question of land enhancement. If you take on that \$5 million, the fact that the city of Miami Beach has a tax rate of 14 or 15 mills, 15 times 15, you have \$75,000 of tax loss per year to the city, the municipality of Miami Beach, and twice that loss to Dade County. This is being proposed that you gentlemen spend Federal money and you require them to build this port before you will give the money for the channel.

You are saying in effect, if you authorize this project, that Federal money will be spent to enrich the Florida East Coast Railroad and the Belcher Oil Co. and it can also be spent to take for a bay \$5 million of property value over here. I do not think that is any particular problem of the Federal Government or of you gentlemen to want to do something like that.

That gets us to the whole question of land enhancement. I want to reiterate one other point in land enhancement.

As Mr. Wallace pointed out, this green area on the map, which is the channel widening, this oil has to be pumped across this area in red, which is the area to be excavated by the city and dumped over here to get the land enhancement value, and then they have to pay a charge to take the excess amount of this oil and dump it over here, and enlarge the Virginia Key, which in effect would do most of the work the Virginia Key would require in terms of filling, in order to get a land-enhancement value out here on Virginia Key. They are also given the right if they want not to pump it out that far, and there are private owners of this island, Loomis and Fisher Island, who would be only too happy to have their sandspits out there, which will then be able to be connected to the mainland, doubled in size, which is what they are trying to get the county commission to do at the moment, and have all that filled for nothing, and let General Evans appear to be a hero to the people of Miami because he saved them \$377,000.

When he does that, the land enhancement by which you justified the report, the increase in the Virginia Key won't exist to this public land on Virginia Key; it will exist to these private owners. All you will have done is, you will have approved a scheme that enhanced the value of the private owners here and enhanced the value of the railroad and oil company here and destroyed the value here, and accom-

plished not very much in terms of public benefit. That is the question of the land-enhancement value.

Now let's talk about the benefits that they talk about. Let's look at this table, if you will, that I have prepared, which I have shown in two columns, the benefits to the ship channel widening, turning based on enlargement of Fisher Island, and so forth. I kept on reading this report. I must confess to having read it 5 or 6 times before sense started to come through. You get a glimmer of an idea of the sort of specious reference it is.

For example, with regard to this matter of vessel-damage cost, this figure was computed by the engineers, and it uses a projection for both petroleum products and dry cargoes. They say that we have so much population now, an estimated 758,000 now. We are going to have 5,200,000 people by the year 2,210, and the average of that is 2,250,000, and with so many tons of cargo per person they get a projection of how much cargo will come in here. It is all referred to in this engineering report.

I submit to you gentlemen, as far as dry cargo is concerned, the average annual dry cargo they estimate coming into the port is almost exactly twice the amount of dry cargo that can be handled in the terminal they require to be built.

Where I come from I cannot understand, for the life of me, how you could justify a project on the basis of a savings which will occur if the port handles 1,400,000 tons of cargo when on another page you say the port can only handle 700,000 tons. It does not make sense.

If the terminal is not going to be big enough to handle the amount of tonnage that comes in there, I do not see how you can call all of that an enhancement.

The same thing with petroleum. The gentleman used a projection on petroleum that took into account the figures in 1955 when they brought 822,000 tons of petroleum into the port because the Florida Power & Light Co., which is the biggest electric-utility company in the Miami area, is the biggest single owner of fuel oil in south Florida. That is the way that they generated their electricity in 1956. They neglected to tell you that the Florida Power & Light Co. now buys its oil from a man in Port Everglades, who barges it down to Miami, and we require no facilities whatsoever to provide for their oil. Somewhere in the engineering report they say it is more economical to partially unload a tanker in the Port of Everglades, so that it will be lighter, and they can get into the 30-foot channel and go down to Miami and deliver the oil there.

I have not known in these matters for electric utilities to be particularly wasteful, and I would guess they are able to buy that oil cheaper by bringing the fully loaded tanker in the port of Everglades and barging it down; otherwise, they would buy the oil the other way. The facts are exactly contrary to the engineers as set forth in the report.

Since that happened in 1956 the 822,000 tons of petroleum that came in in 1955 dropped to 323,000 tons, which is the amount of petroleum that comes into that port when you are not talking about what the power company buys. The power company buys over 900,000 tons for their entire south Florida operation. These figures were given to me by the power company. Therefore, I have made a

projection which I claim is as reasonable as the one of the engineers. I took the 1956 petroleum production coming into the port and the population in 1956 and it turns out that there is 0.43 tons of petroleum sold per person, and I used the engineers population projection which I think is very optimistic, and which they recognize is not a particularly good projection in their own description of it, and I take that projection and come up with how much petroleum would come into the port on the average and I say instead of the tanker delays giving you a benefit of 18,000 annually, they give you a benefit of only 6,000 annually. The projection is overstated three times, and you cut two-thirds off the benefit.

Mr. Evans said that this is not going to be a heavy cargo port, so maybe they are not going to have that much petroleum anyway. I do not know but from General Evans' testimony we could not say all this tanker delay benefit ought to be wiped out completely because he says this is a port that is not going to handle any heavy amount of oil.

There is another factor that has come into the situation. There was recently given permission to a Texas company to pipe natural gas into Florida, which is going to be a tremendous aid to industry in Florida. The pipeline will come to Miami and it will do two things. First, it will supplant some of the oil used by the power company. It will give the power company an opportunity to perhaps buy their oil cheaper because there will be a competing fuel. Second, many other users of petroleum in Miami—users of petroleum for hot water and heating—will switch to natural gas for reasons of convenience and what have you. So there will be a declining amount of petroleum used in south Florida by virtue of the natural gas pipeline coming in. I gave no effect to that in the projections whatsoever.

There is one point made by the engineers that I did not argue. They talk about the causeway terminal which is on the MacArthur causeway and is in the city limits of Miami Beach, and there they carried their projection only to the capacity to which they rated that facility. They said it will only hold 150,000 tons of cargo. We will express our benefits on the basis of the maximum amount this particular part of the port can handle. I say if they do that they are also bound by the capacity of the port they are requiring and therefore these projections are completely invalid. I say to you that I have gone over each one of these figures. I have justified them in the report, and I say to you that I would be surprised if we even did not get into this question of land enhancement that a further refinement of figures and some more reading of this engineers' report would probably reduce this cost benefit ratio down to even or less. It certainly would if you take out the land enhancement.

I say to you on that particular basis—this engineering report which General Evans in his statement says they are perfectly willing to stand on—you would have to vote against any authorization for this harbor because this report contains in it the actual facts that say this is not a justifiable improvement.

I think under those circumstances you are justified in either rejecting the authorization, or providing for more study. We have made the point, we feel, it ought to be studied more because the original plan of improvement of the city of Miami was not what the Corps of Engineers finally required. There never has been a public hearing

in Miami on the particular plan that is indicated in the survey review report. No. 2, the City Commission of Miami has not offered their citizens any public hearing on their acceptance of the particularly onerous requirements that the engineers are placing upon the city of Miami, and the bad precedents being set pointed out by Mr. Wallace in his testimony and his brief.

It is no wonder the mayor of Miami takes exception to the attitude of his colleagues. It is no wonder that a person as well known and as revered—and I think all of the gentlemen from Miami, as well as the beach, would agree with that characterization of Mr. Aronovitz—should rise up in horror over the kind of thing this group of people are insisting on perpetrating on the city of Miami.

Then there is the question, for example, of the value of tourism to the economy. I heartily agree with that in view of all the comments about the relative merits of Florida, California, Chicago, and what have you, but if you will look at page 5 of the engineering report and the description in paragraph 9 of the economic activities there is a whole paragraph that says that the economic activities are chiefly concerned with, and determined by, the requirements of the tourism and agriculture. They go on to say that the climatic and recreational advantages of the area have caused this to be a great tourist area.

I say to you if you turn this whole portion of Biscayne Bay into a glut of factories, railroad yards, and a whole series of office buildings and the kind of dirt and filth and noise and smoke and grime that comes out of a port, you are permanently despoiling this whole area of the bay. The view that people will get of Miami Beach as they first come over this causeway, which is the most heavily traveled road in the State of Florida, will be one of a whole series of factory sites, which is very ridiculous.

All of the wonderful fishing that exists in this part of the bay will be affected. The people who take their boats out of the marina here [indicating], and on this side [indicating] will find this whole area despoiled. I say that these gentlemen are saying that—we do not care what happens to Miami Beach, we are only interested in Miami. Perhaps they prefer to see the owners of these islands get their land-enhancement benefits and make some money and they prefer to see a whole lot of money spent under their administration. Eighteen million dollars is a nice chunk to spend, and fellows who like to spend money can always find ways to enjoy it, and they will spend it by building this great terminal and railroad bridge and a truck bridge here right in front of Bay Front Park, the prettiest park in Miami, the town area with the beautiful hotels along Biscayne Bay; they will build this railroad running through Biscayne Boulevard, Northeast First Avenue, Second Avenue, and Miami Avenue, three of the business streets, to go up with this railroad spur to get out of the way of town.

They spent 25 years getting the Florida East Coast Railroad to move the railroad station from here [indicating] up to here, which is 36th Street, in order to open up the east-west traffic and here they would build a port which, if it has anywhere near the traffic they expect, is going to force the continuation of this railroad. I say this simply does not make sense.

I started out being opposed to this for a very simple reason. I live on Palm Island. I would be a quarter of a mile away from

this. I think that is a perfectly just and proper thing for somebody to engage in a fight for the preservation of his own home. If I lived 10 miles away or 20 miles away and I had studied this matter as much, I would be just as violently opposed to it. I would be happy to spend my own money to come up here and tell you gentlemen today what I have told you. I think this project has no justification whatsoever. It would severely despoil the area.

There are many outside factors that have caused the tremendous opposition to this plan, and I say to you that when a man comes up here and forgets he is not in uniform any more and says: "We are going to build this port, we do not care what you are going to do," that is not the proper kind of an attitude for a public official to have toward the will of the people and the needs of the people. If the gentleman had the courage to submit this to a referendum in the city of Miami they would be defeated 3 to 1 tomorrow morning.

I urge you gentlemen to bear in mind this engineering report does not in any way justify this project. The facts show you where the project is no good.

There are many other matters of public policy involved here which in my mind give you ample reason for rejecting the authorization.

I thank you very much.

Mr. BLATNIK. Who owns Dodge Island?

Mr. GORDON. Dodge Island and these three islands are owned by the city of Miami. This island [indicating] is mislabeled on the map. One-half of this island is owned by Mr. Davis, the former chairman of the board of the Aluminum Company of America, and the other half is owned by a group of local investors headed by a fellow by the name of Rouboso. Fisher Island has a number of owners. Belcher Oil Co. owns this place where this terminal is. Circle No. 2 reflects the Belcher property. The syndicate headed by Mr. Rouboso owns approximately two-thirds of the island. This island is subdivided. There are streets and so forth on it.

Virginia Key, I believe, is owned by the city of Miami. Half of Key Biscayne is owned by Dade County and is a county park. The other half is privately owned.

Mr. SCUDDER. Who owns Virginia Key?

Mr. GORDON. The city. They have the sewage disposal plant there.

Mr. BLATNIK. You say that there are other alternatives for a better solution of the expansion of the port facilities in Miami. Do you have any alternatives to recommend?

Mr. GORDON. I would suggest very strongly the Virginia Key alternative. I suggest it for one of the reasons raised by Mr. Evans, who had the letter from the Chief of Naval Operations saying any time you develop a port the Navy likes it. That is not a difficult thing to figure out. The point is that the Virginia Key development, as authorized, contained a large anchorage area for the Navy and this was one of the benefits. I think that it was the way it was justified as a wartime project. This area in here [indicating] was developed as an anchorage area and a sheltered anchorage for the Navy.

I think, for example, you will find one of the things missing from the engineering report. There was a map of a barrier that they

wanted to build in Biscayne Bay generally running in this direction to prevent hurricane tides all across the bay and the effect that hurricane tides would have on boats in this narrow channel which would sweep the boats back up into Miami Avenue. That happened once in 1926. The whole question on how this port can operate in terms of hurricane conditions is a question that the engineers simply ignore. Some place in the engineers' report is a map that shows they wanted to build a dike across the bay because they were concerned about the hurricane tides sweeping all the way through. It seems to me that that would have some application to building a facility here. This is one of the few sheltered places that a boat can go to [indicating]. Virginia Key has many justifications.

Mr. BLATNIK. I did not know about the possibilities of Port Everglades. That is handling a lot of cargo. Would it be more economical to enlarge the facilities already existing in Port Everglades where the channels are deeper and shorter?

Mr. GORDON. Mr. Chairman, I think the proper way to evaluate the question would be to take the economic area which exists. It is a single area essentially from Palm Beach to Homestead. Every economic study that I have ever seen of this area indicates this is in effect one community though it falls in three counties and would pose tremendous problems of government.

Still in the city of New York you have a port authority that covers 2 or 3 States and several communities. There probably ought to be an overall plan and study done by the engineers that could cover Miami and Port Everglades and perhaps the port of Palm Beach, because all of this in 10 or 15 years is going to be 1 town. I remember that the engineer officer who was here today simply stuck to the point that both of them were justified. That may be the way that the engineers look at it. The point of view is the public interest of how is this one area going to best be served by port facilities, and if any survey is made it would seem to me that an overall survey should be the way it should be done. We could get an intelligent answer as to whether the Port of Everglades could handle it all, or upon what basis this cargo could be divided up between these 2 or 3 ports in the most economic manner.

It is true in our savings and loan association that we are now every year increasing the number of loans that we are making in Broward County, which is the next county, for the reason that we are running out of land in Dade County, and for the reason the industrial development in Dade County is at the northern end of the county and is probably 12 or 14 miles from the Port of Everglades.

I think if you get a complete survey of the area you will find an answer to that question.

Mr. DOOLEY. Port Everglades is about 30 miles up?

Mr. GORDON. Twenty-one miles.

Mr. DOOLEY. What is the status of the litigation that is now being adjudicated? Do you have some kind of relief now?

Mr. GORDON. Yes. Mr. Kruglak will testify to that.

Mr. BLATNIK. We thank you very much for your testimony.

Our next witness will be Mr. William T. Kruglak, president of the Property Owners Association, Miami Beach, Fla.

**STATEMENT OF WILLIAM T. KRUGLAK II, PRESIDENT, PROPERTY OWNERS ASSOCIATION, MIAMI BEACH, FLA.—Resumed**

MR. KRUGLAK. Gentlemen, I very much regret the sudden illness of Mr. Aronovitz upon whom we were depending to a great extent, as the former mayor of Miami, for a clear explanation to you as to why this plan is bad and why it deserves no consideration. Unfortunately, he is not here and it would be presumptuous of me to speak for him.

I would ask the committee to permit, as Mr. Aronovitz' health permits, to allow him to file a statement and that his thoughts be made known to you.

I am president of the Palm-Hibiscus-Star Islands Property Owners Association, which is an association made up of citizens, taxpayers, and property owners who live on these three islands, which are immediately north of the proposed port. We have approximately 300 families and a population of about 1,200 people living on these 3 islands who are directly affected by this report.

I am a member of the board of directors of the Presidents' Council of Miami Beach, which is a leadership group composed of all the presidents of all of the civic organizations such as Rotary, Kiwanis, property owners, and the like.

I am vice president of the Miami Beach Taxpayers Association and a member of the board of directors interested in promoting our community.

I am also a member of the Dade Development Committee which was mentioned this morning by the proponents and about which I will speak later.

I have here, and wish to introduce into the record, a list of exhibits and statements as follows:

A summary of my own statement which I am about to make; an affidavit of an associate engineer, George A. Waldeck, which was a sworn statement presented in a lawsuit about which I will tell you in a moment; a resolution of our new metropolitan commission known as the county commissioners, Resolution No. 1592, which was adopted by them on the 10th day of June in which they make their position clear as to the new metropolitan government as to this port. I have further a statement of Captain LeMay who is unable to be here; a statement of Wade Turner, another civic leader who is unable to be here; and you have before you, I think, pertinent copies of the editorial news coverage as to the progress of this plan.

MR. BLATNIK. Without objection, they will be inserted in the record at this point.

(The information referred to follows:)

**STATEMENT BY WILLIAM T. KRUGLAK II, PRESIDENT OF PALM-HIBISCUS-STAR ISLANDS PROPERTY OWNERS ASSOCIATION AND REPRESENTATIVE OF DADE COUNTY CONSERVATION COUNCIL**

**OBJECTIONS**

**A. GENERAL: HISTORY OF CHANGE IN 1956 AND 1958 PORT PLANS**

**1. Despoils the bay**

- (a) Last natural asset.
- (b) What guarantee of only 200 acres?
- (c) A free-trade zone alone requires 100 acres.

- (d) Sewage, dirt, and filth problems.
- (e) Garbage disposal by boats in transit and at docks.
- (f) Sewage disposal after installing \$20 million plant.

## 2. *The problem of fill disposal*

No plan for fill which is dredged up for port and new channels. Possibility of fraud. Fisher and Lummus Islands need fill.

- (a) Total dredged for Miami City plan calls for 5,600,000 cubic yards.
- (b) Dodge Island will require 1,300,000 cubic yards.
- (c) What happens to the surplus of 4,300,000 cubic yards? More unsightly spoil areas? Less bay, day by day? Or helping out some friends?
- (d) Example of 7 new little islands created within past 3 years, just for a single sewer main.

## B. SPECIFIC OBJECTIONS

### 1. *Port should be a Dade County project, not city of Miami alone*

(See county commission resolutions submitted herewith.)

- (a) Compare city of Miami's managerial ability with that of county port authority or Miami Beach.
- (b) Why the lack of foresight 30-foot depth is obsolete before we start; should be 40 feet.
- (c) No consultation with experts such as port wardens and pilot commissioners.
- (d) Creation of suction hazards in the turning basin.
- (e) One-way traffic only as planned for turnaround. Most cumbersome. Creates physical problems.

### 2. *Costs of construction*

- (a) Estimated between 18 and 20 million. This is about \$100,000 per acre. Is this feasible? Necessary?
- (b) A new causeway at \$2½ million to disgorge traffic in the heart of Miami at Sixth and Biscayne Boulevard.
- (c) What size port do we get for 18 to 20 million?
- (d) Present port can take 5 or 6 oceangoing vessels. That's all the new port will accommodate as planned.
- (e) Would not renovation be cheaper? 4½ million as opposed to 18½ to 20 million? Renovation would allow 11 to 13 oceangoing vessels.
- (f) What does new bascule bridge cost?

### 3. *Real-estate speculation*

- (a) What is the city's rush? Why does the city get involved in real-estate speculation? (See Herald, September 2.)
- (b) Can these coincidences be explained? (See Herald, September 2.)
- 1. Allen Morris was chairman of the subcommittee of the Dade County Development Committee.
- 2. This committee (Allen Morris') pushed Dodge Island port.
- 3. This committee (Allen Morris') favors using the old port for a business area development. (All in the Herald, September 2.)
- 4. This is the same Allen Morris who was president of the Keyes Co. (realtors and brokers).
- 5. This is the same Allen Morris who with others now owns 45 percent of Lummus Island.
- 6. Where is Lummus Island? East of Dodge, the natural direction for expansion by the city of Miami. Would the city buy it for a profit from Allen Morris and his associates? What do you think?
- 7. Further coincidence: Some of Mr. Morris' committee:
  - (a) E. N. Belcher, of Belcher Co., which sold Lummus Island to Morris' group (see Herald, September 2).
  - (b) Mr. Morris and Fisher Island.
  - (c) Some of the other associates. Rebozo & Co.

## C. SOME OF THE SPECIFIC OBJECTORS

1. The city of Miami Beach.
2. The Miami Beach Chamber of Commerce, by resolution.
3. The Dade County Conservation Council.
4. The Palm-Hibiscus Star Island Property Owners Association.
5. Washington Avenue Association.
6. The President's Council of Miami Beach, by resolution.

7. The Dade County Coordinating Commission (Charles Crandon, chairman). (See Herald, September 29, 1956.)

(a) Charges that Fred Canel, manager of the city of Miami Chamber of Commerce, has high pressured the committee.

(b) Quoting Charles Crandon: "Proponents of Dodge Island plan have given this committee considerable misinformation at previous meetings."

8. Those members of the coordinating commission who were asked, favored Virginia Key as the port site.

9. Activity of Dade Development Committee.

10. The interest of Admiral Leffler (retired).

#### D. THE CASE FOR VIRGINIA KEY

1. The city of Miami now owns 500 acres of available land on Virginia Key.

2. The Federal Government has already invested in a channel and jetties.

3. The Federal Government has authorized an approach to Virginia Key 300 feet wide and a turning basin of undetermined size all 30 feet deep. (See letter of Corps of Army Engineers, August 2, 1956; S. Doc. 251, 79th Cong., 2d sess.)

4. Direct rail and truck traffic could be routed out of and away from the center of Miami and not into the heart of Biscayne Boulevard, as now proposed.

5. The use of Virginia Key will still enable the city of Miami to speculate in real estate for the sale of the present port site.

6. Virginia Key permits immediate creation on a free port zone as in New Orleans, San Francisco, Baltimore, Panama, and New York.

7. There is no problem of disposal of dredged up fill; millions of cubic yards can go right on Virginia Key to straighten out its water edge.

#### E. CONCLUSION

##### 1. *The need for a port*

We are unanimous and in accord for a port, but we are not agreed as to a plan.

(a) Should we renovate what we have? This appears to be least desirable.

(b) Should we go blindly into a new development such as Dodge Island? This is dangerous, reckless, costly, and despoils our bay. Real estate scheme, etc.

(c) Is Virginia Key the best location? Considered and unbiased opinion of experts says so.

##### 2. *Steps citizens have taken to fight the real estate scheme*

(a) Citizens and taxpayers suit against the city of Miami now pending.

(b) City of Miami Beach suit against city of Miami to restore Dodge Island to city of Miami Beach.

(c) Have aroused public opinion and Dade County commissioners to take action.

STATEMENT BY GEORGE A. WALDECK, SR., DREDGING EXPERT, MADE IN MAY 1958, UNDER OATH, AND FILED IN DADE CIRCUIT COURT IN A SUIT FOR INJUNCTION AGAINST THE CITY OF MIAMI

IN THE CIRCUIT COURT OF THE 11TH JUDICIAL CIRCUIT OF FLORIDA;  
IN AND FOR DADE COUNTY, IN CHANCERY

CHARLES W. PRICE, SR., PLAINTIFF, v. CITY OF MIAMI, FLA., A MUNICIPAL CORPORATION IN THE STATE OF FLORIDA; ROBERT KING HIGH, AS MAYOR, CITY OF MIAMI; AND ARTHUR E. EVANS, AS CITY MANAGER OF THE CITY OF MIAMI, DEFENDANTS

No. 58C 2517

AFFIDAVIT IN OPPOSITION TO DEFENDANTS' MOTION FOR SUMMARY DECREE

Before me, the undersigned authority, personally appeared George A. Waldeck, who being duly sworn, deposes and says:

I

That he has been a resident of Miami, Fla., since January 1911.

## II

That he has spent all of his life since that time in dredging and filling operations in and around Dade County and southern Florida. While he was associated with the Arundel Corp., the Bowers Southern Dredging Co., and the Waldeck-Deal Dredging Co., he personally supervised and undertook the following contracts:

Filling in of Miami Beach, under contract with Carl Fisher & Associates, including dredging canal along roadway to Pancoast Lake, Bell (formerly Bull) Island, fills along Indian Creek, etc., etc.

Dredging ship channel for city of Miami, leading to Government entrance channel, across bay, and turning basin in front of present docks, 18 feet deep and around 100 feet wide.

Constructing 13th Street causeway (now MacArthur) from Miami to Miami Beach.

Filling Palm Hibiscus, Star Islands, and numerous other private waterfront developments.

Dredging and filling at Ragged Keys for Sieberling, on contract awarded by Carl Fisher and his engineer—Mr. Brown.

Dredging and filling the Venetian Islands, under contract with Dick LeGro, Hugh Anderson, etc.

Dredging inlets and opening cuts at Fort Lauderdale, Jupiter, and Sebastian.

Dredging and filling at Sunny Isles for Mr. Graves.

Built 79th Street causeway, embankment sections, including wood trestle bridges.

Dredging and development projects at Little River, Intercoastal Waterway maintenance work for United States, dredging and development work at Fort Lauderdale, and Fort Lauderdale Harbors.

From approximately 1932 to 1952, your affiant completed over \$22 million of dredging jobs which included engineering supervision of the same.

## III

Your affiant is well qualified as a result of long experience in dredging and filling to understand and object to the port plan as now proposed by the city of Miami for Dodge Island.

## IV

As a taxpayer and resident of this community and a person directly interested in this pending suit, your affiant makes this affidavit for the information of the court.

## V

Your affiant points out to the Honorable Court, that the Dodge Island terminal plan submitted by the city of Miami for public hearing, held by the Corps of Engineers in Miami on October 2, 1956, is radically different and has been greatly changed from the port originally proposed by the city of Miami.

## VI

The attention of the court is respectfully directed to plaintiff's exhibit B, survey report, appendix D, page D-7, marked "City of Miami Port Plan July 1956," and likewise to plaintiff's exhibit B, appendix E-5, which is "The plan recommended and approved by the Corps of Engineers."

A comparison of the two plans shows the following:

	Plan submitted by city of Miami	Plan as approved by Corps of Engineers
Fort terminal area.....acres..	90	200
Dimensions, length, along ship channel.....feet..	3,300	6,000
Width of proposed terminal.....do.....	1,000	1,500
Distance from harbor line.....do.....	5,000	1,600
Distance from MacArthur causeway.....do.....	1,400	900

## VII

The court is respectively reminded that there has never been a public hearing of any nature upon the new concept of the port for Dodge Island, and as a taxpayer and a citizen of this community affiant has not had an opportunity to make public objection to this new proposed port.

## VIII

Your affiant contradicts categorically the statements made by the city manager, Arthur E. Evans, and city engineer, Arthur E. Darlow, that there have been numerous port hearings on the port project. The fact of the matter is that there has been one public hearing held by the Corps of Engineers in Miami on October 2, 1956, and no public hearings held by the city of Miami at any time. There was a subsequent public hearing on January 27, 1958, before the Army Engineers Rivers and Harbor Board in Washington, D. C., which was restricted by the Board to a review of the district engineer's report. This was not a public hearing held by the city of Miami.

## IX

Your affiant respectfully directs the attention of the court to the following additional objections to the said port, all of which are issues of fact in this cause:

1. To the impossibility of expansion of the proposed port, except to the east by the purchase of very expensive private property.

2. The costly and economically unsound requirement to deepen the channel from 30 to 35 feet because of complete lack of spoil area to dump the excess dredged-out fill.

3. The proposed port reduces beautiful Biscayne Bay and Harbor to a mere ship road channel 900 feet wide which forever destroys the natural beauty of the bay.

4. Biscayne Bay is forever destroyed as a harbor site for anchorage of naval vessels or for other oceanborne visitors, since it will become under the proposed port plan a ship road channel.

5. It has deprived shipping of a hurricane refuge contiguous to the land by the creation of a ship road channel with side docking.

6. The city of Miami had committed itself to a cost of not less than \$18,500,200, which included \$7,047,600 for dredging to be paid for by the Federal Government, but the Federal Government denied the city of Miami's request for dredging and only agreed to widen the ship channel, at a cost of \$3,818,000. This increased the cost to the city by over \$3,229,600, for which no provision had been made. In addition to this, the city of Miami must contribute \$1,051,000 as its share of the proposed dredging.

7. The city of Miami, for reasons best known to its officials, has chosen to ignore the Virginia Key plan, which has been authorized by Congress and which is still a valid piece of legislation. This plan could be taken advantage of by any port authority of this community and would result in a tremendous saving to the taxpayers in that the Federal Government has already authorized funds more than sufficient for the dredging of a suitable seaport of approximately 1,400 acres as opposed to the mere 200 acres on Dodge Island.

## X

Wherefore, your affiant respectfully requests this honorable court to deny the defendant's motion for a summary final decree and permit the citizens of this community to have their day in court on these important issues, which affect the entire community.

Further affiant saith not.

## RESOLUTION 1592

Declaring the policy and position of Dade County in respect to procedure for providing satisfactory plans for development of adequate port facilities for Dade County

"Whereas the Dade County home-rule amendment to the Florida Constitution, and the home-rule charter adopted under and pursuant thereto, provide that the board of county commissioners shall be the legislative and governing body

of Dade County, and as such the county commission is charged with the duty and responsibility to do everything necessary to carry on a central metropolitan government in Dade County for the benefit and welfare of all the citizens; and

"Whereas the home-rule charter specifically grants to the county commission the power and authority to provide and operate all water terminals and port facilities in Dade County, and to prepare and enforce a comprehensive plan for the development of Dade County; and

"Whereas the county commission is ready, able, and willing to perform and discharge all duties and responsibilities imposed upon it by the home-rule charter; and

"Whereas the county commission in the fulfillment and performance of its duties and responsibilities under the home-rule charter is desirous of all ways of rendering every possible assistance to and cooperation with each and all of the municipalities of Dade County for public welfare and benefit of the citizens of all of Dade County; and

"Whereas a group of responsible citizens appeared before the county commission at a regular meeting and strongly urged that the county commission cause a comprehensive, impartial study and survey to be made of the proposed Dodge Island Port plan presently being undertaken by the city of Miami, in order that the feasibility of such port plan may be determined in the light of the needs and overall plan of development for the entire county as a whole; and

"Whereas, although the county commission is prepared to render assistance and exercise the powers, duties, and responsibilities imposed upon it by the home-rule charter, the Commission of the City of Miami has not yet indicated any desire to avail itself of the county facilities available, nor has the city commission invited the county commission to participate or cooperate and to utilize the powers vested in the county commission toward the development of appropriate port facilities commensurate with the needs and welfare of Dade County. However, it is reasonably anticipated that the Commission of the City of Miami will find it desirable and expedient to invite the cooperation of the county commission and to call upon the county for assistance in this matter of vital importance and concern to all the citizens of Dade County: Now, therefore, be it

*"Resolved by the Board of County Commissioners of Dade County, Fla.,* That it be made known to all concerned that the county commission stands ready, able, and willing to fulfill and perform all duties and responsibilities imposed upon it by the home-rule charter, and that the county commission is prepared to properly utilize all available facilities for the purpose of formulating a plan for the appropriate development of adequate and feasible port facilities for Dade County in concerted cooperation with all interested citizens and municipalities; and be it further

*"Resolved,* That, in order that this community project may be accomplished at the earliest possible date in accordance with a plan of development mutually approved and supported by all citizens and municipalities of Dade County, the Dade County Department of Planning is hereby authorized and directed to make a comprehensive study and survey designed to produce for consideration and approval an appropriate plan for development of adequate port facilities to fulfill the future needs of this community in coordinated cooperation with all citizens and municipalities interested in and affected by this project. The county manager is hereby authorized to make recommendations concerning the employment of such technical advisers as may be deemed necessary for the accomplishment of this plan for development of port facilities."

The foregoing resolution was offered by Commissioner Faris N. Cowart, who moved its adoption. The motion was seconded by Commissioner Edwin L. Mason and, upon being put to a vote, the vote was as follows: Faris N. Cowart, aye; Charles F. Hall, absent; Edwin L. Mason, aye; John B. McLeod, aye; Ralph A. Fossey, aye.

The chairman thereupon declared the resolution duly adopted and passed this 10th day of June 1958.

BOARD OF COUNTY COMMISSIONERS,  
DADE COUNTY, FLA.

By RALPH FOSSEY, *Chairman.*

Attest:

E. B. LEATHERMAN, *Clerk.*

Mr. KRUGLAK. With all this information I am certain that you gentlemen can arrive at your own independent decision as to the merits of the proposition.

I would like to take just a moment or two, if I may—and I intend to adhere to our promise as of this morning that we will complete our argument by 3 o'clock—to say that I listened very carefully to General Person who spoke for the Army engineers, and I refresh your recollection, if I may, that in conclusion he stated his opinion and it was not based on any study because he admitted that there were not any funds provided for such a detailed study and that he could not comment other than the fact there was a depth of 30 feet. He did not know the size of the expansion that might be required 5 or 10 years from now of this proposed port. He did not and could not answer the question of Mr. Cramer as to whether or not this would be an obsolete new port alongside an obsolete old port, and I cannot blame the gentleman because, as he said, they did not study the question.

It would seem to me that that would be one of the primary studies that ought to be made.

General Evans, for whom I have a great personal admiration, testified to a certain degree as to the ability of the city of Miami to finance this project. I only ask this question in rebuttal:

In 1956, in the month of October, the city of Miami had a public hearing which was called by the district engineer from Jacksonville at which the city of Miami said that it would like to have a port upon Dodge Island which would measure approximately 90 acres and extend approximately 3,000 feet in length by approximately 1,000 feet in width, and that if they could have such a port and they would erect a causeway and railroad track coming to Miami, they estimated the cost at \$18 million to \$20 million, which was a matter of public record in 1956. There was no further public hearing or further public notice, and I challenge the survey report of the engineers which they said they consulted from time to time, since 1956 with the opponents and the proponents. That is not correct. We have never been consulted by the Board of Engineers; we have never been in conference with them since that first and only public hearing.

Much to our surprise and amazement, when the report was made, we now discover it is no longer a 90-acre port, but a 200-acre monstrosity in the middle of the bay; it is no longer 3,000 feet, it is now 6,000 feet; it is no longer 1,000 feet in width; it is 2,000 feet in width. Nothing is said whatever of the cost of this causeway, or the bascule bridge which will be required to permit water traffic to come under the bridge, coming from the north or south, and yet the cost of this monstrosity remains the same, though it has been doubled in size. They still say it takes \$18 million to \$20 million. I challenge how they can come up with twice the size of the installation they wanted in 1956 and keep the cost the same. There is something specious in this.

You heard Mayor High tell you the platform that he was elected on. He went to the people and said, "I am opposed to the city of Miami building this port and I am running for the office of mayor on that platform." They overwhelmingly elected him on that platform of opposition to the city constructing that port.

You heard the general say, "Well, there is some trifle little opposition of a little organized minority." You have before you copies

of the largest newspaper in Florida, which says, "The hottest controversy in town." Does that sound like a little group of some insignificant stature that is simply trying to obstruct something? The facts are not so.

The people of Miami and the city that is proposing this would reject it if they were given an opportunity to do so. They will reject it and that is one of the things that former Mayor Aronovitz would have told you about.

General Evans said the Dade County Development Committee endorsed this plan and said that the Dade County Development Committee consisted of 50 business leaders of this community and he introduced one of them today. I am not a business leader, but I am a member of that committee, the so-called 50 leading business leaders of the community. It is a mystery to me how I got on the committee knowing how I feel about the port. I am a member and my dues are paid and I have attended meetings regularly. I want to say a word about the Dade Development Committee and its operation in connection with this port.

In 1956 in the early spring when the people began to get interested—and when I say "people," the private investors looking for some place to put their money where they could make more money—began to think of purchasing Fisher Island. They found a broker who was then reputable and still is, as far as I am concerned—a respected member of the real estate business—by the name of Mr. Allen Morris. He acted for these investors and it took us many months to learn who these secret investors were, but we finally learned by taking sworn depositions and we have such sworn depositions to prove it.

We found this group of investors decided that they would like to buy Fisher Island and at the same time there was a group similarly interested in this next island to the west, and through Mr. Allen Morris that arrangement was made, and they did purchase the two islands held by these private investors. Simultaneously, and rather coincidental I would say, the subcommittee of our Dade Development Committee began to say that Dodge Island was a wonderful place to put a port and the chairman of the subcommittee of our Dade Development Committee was none other than Mr. Morris, who represented the buyers of this private property, and the long arm of coincidence finally disclosed in a lawsuit that Mr. Morris had been given a percentage of interest in this property for his negotiating for these private investors, and it is another coincidence that he should be so vigorously sponsoring this location before the city of Miami and before the engineers at that public hearing on October of 1956.

I say the fact the Dade Development Committee had a subcommittee whose chairman was financially interested in the development of these private islands, whose subcommittee made a favorable report that Dodge Island was the place to put this port, these are things that I think ought to be brought out in public and aired.

The coordinating committee that General Evans spoke about consisted of a group of citizens likewise, and Mr. Cranden, who was chairman of that committee, stated, and it is a matter of public record that he so stated, that he was put to tremendous pressure by the chamber of commerce and he was given this information by the proponents of Dodge Island and that his committee as a result of this consider-

able misinformation had practically made a favorable report until they checked on the information. We learned later the individuals, members of that committee, did not personally and individually favor that site.

I would like to say a word about the grand jury report that General Evans so proudly disclosed to you this morning. In the first place, I am delighted that none of our city commissioners of Miami are criminally involved in this proceeding. I would very much regret that any of them should go to jail as the result of their connection with this plan, and so I am delighted that the grand jury brought them a clean bill of health. I am rather surprised that they should brag about the fact and make the recommendation for themselves, that they come here first having procured a clean bill of health from the grand jury.

I have a telegram which I received during lunchtime and I want to read it to you because as lawyers, and as people who have had experience in disclosing communications, the fair way is to read the whole communication. If you are going to quote something quote the whole thing, do not just pick out what you like and whatever favors you, but quote the whole thing. You did not hear a word from General Evans that the grand jury had recommended that the metropolitan planning board developed the plans for the port facilities. He led you to believe that the grand jury had said, "Get behind this plan of the city of Miami." They said no such thing. They have said that the planning board should develop the plans for the port facilities.

Of course, I have the further quote, "Could find no evidence of criminal violations of the city." We are delighted that there is no evidence of criminal violation.

Mr. CRAMER. Who was that telegram from?

Mr. KRUGLAK. From an associate of mine.

You will find in the resolution which has been submitted, signed by the county commissioners who are now the metropolitan board, they have resolved that this plan be submitted to their planning board for study and that they are deeply and vitally interested in any port facility because as Mayor High pointed out to you, the metropolitan function is to take care of those areawide problems of 26 municipalities and that includes an airport, because certainly an airport is a metropolitan facility; a seaport, because certainly each of the individual municipalities should not be engaged in building seaports; roads and bridges, transportation, buses, railroads, and the like. All of these are metropolitan functions that should be performed by the metropolitan government. They have acknowledged and accepted that responsibility and you have the resolution before you.

We have a taxpayer's suit now pending. A citizen of Miami who resented the fact that his tax dollars were being spent by the city of Miami for this port project. I was retained and I agreed to serve without a fee, and I have not received a penny. We filed a suit on behalf, a representative taxpayer's suit, of this particular taxpayer, speaking for many others, and asked the court to enjoin the city of Miami from continuing with this project, and in particular from paying out to the engineer, the Ewin Engineering Corporation of Florida, the large sums of money required by a contract they had signed with the engineers.

Now, there is nothing wrong with the amount of fees that they paid the engineers. The contract calls for it. But the vicious part of this thing is this: that the contract is illegal because the Ewin Engineering Corporation of Florida was not the low bidder as required by law. There were several other reputable engineers who were asked to make proposals. They were all reputable engineers and responsible and the statute so says that it shall be awarded to the lowest responsible bidder. This contract was awarded not to the lowest responsible bidder, and for that reason we test the legality of that contract and we say that the money being paid out under it may yet have to be refunded individually by these city commissioners, whether they realize it or not. Three-quarters of a million is the amount of money that the city manager has said he would like to spend, whether you people will go along with him or not. He has urged you to go along. He says that they will go ahead whether or not this committee approves the authorization, or if the authorization is eventually approved. He said that they are prepared to spend three-quarters of a million. Where are they going to spend it? Again, a rather odd coincidence.

The first place for spending will be in front of a privately owned island, Fisher Island. And who will reap the benefits of the three-quarters of a million spent by the city of Miami? The private owners of Fisher Island.

There are just 1 or 2 other things that I will say and then conclude my presentation. You will note it is said all the marine interests have been favoring this plan and the city of Miami is prepared to document—at least I hope they are—that unanimity of opinion. I say to you that is not true at all. The exhibit of Captain LeMay will indicate to you that a good portion of the marine industry does not favor this plan, and the reasons are stated in his statement as to why they are opposed to this plan.

Just one point to enlarge upon the unanimity question. In the original plan that the city of Miami proposed in 1956 at the only public hearing ever held in Miami, they said that we will in addition to filling this little port of 90 acres see that you get another water route here going up the Miami River. We will take this island here called Watson Island and we will create a tropical paradise by making this a cruise ship port of calls. This was so dramatized and effective—and my hat is off to the public relations people—they had all of the marine industry sprawling over themselves to get on the bandwagon because this looked like something good for the community. In fact, I was almost sold on it myself. Lo and behold, when the plan finally became clear and the engineers began to talk about this 200-acre monstrosity, we learned for the first time they had deleted this channel, they have completely deleted this cruise ship area, this proposed dredging here, for which the marine industry were so enthusiastic in the beginning, and they undercut and removed that great big following they had when they first started. They lost it when they changed to this port. I want that understood—that this is not a unanimously approved project by any means. In fact, the contrary is true.

To summarize I would like to say that we who live in these three residential islands feel very strongly about this. For example, some 13 years ago when I was discharged from the Army, and I took my accumulated savings and I bought a lot. I live over here [indicating].

I live on Hibiscus Island. I am a little farther removed than some of our neighbors. I bought a little lot there, and I built a home, and I have lived there with my family going on 13 years. When I built here I recognized this as a very nice residential community. I have a view of all this beautiful water. I have a clear view of all of this area. And I did not expect that anyone would begin to fill up our last natural resource with a monstrosity of a commercial port. That is why I began to object—when my property was affected, my family and my well-being, and I have a right, as an American, to object.

Other than my personal objection I have qualified myself as being interested in my community. The list of my associations would bear that out, and I have devoted myself to civic and community life.

The citizens of this community have asked me to fight their battle for them, and I have appeared to fight their battle. I have rendered services at law gratis, and I will continue to do so on behalf of the citizens and taxpayers.

I neglected to say that I am a delegate of the Dade County Conservation Council, and a resolution is here on file with you from that organization whose basic philosophy is no more pumping up of islands in the bay, and let the bay, our last natural resource, remain as it is and they too have objected and advised me to make known their objection.

The city of Miami Beach has made its case, I am certain, and feels so strongly that it has filed a suit to recover its property unnecessarily taken by the city of Miami.

We feel that all of these objections have so aroused the community that the Commissioners up until recently who have been occupied with this metropolitan government and perhaps have been too pre-occupied with the birth of this new concept of government, now have waked up to their responsibilities and they have now accepted their responsibility. I think in view of the fact that you have a governmental agency now in charge of this entire community that it is the agency which ought to be looking toward a definite communitywide port and not one of the 26 municipalities.

Thank you very much for your attention. We very much appreciate the fact that we have had this public hearing.

Mr. BLATNIK. Thank you, Mr. Kruglak.

Are there any questions?

Mr. KRUGLAK. I will be glad to answer any questions.

May I have 10 days, Mr. Chairman, to supplement the record in particular on behalf of some of our other members who have not completed their presentation?

Mr. BLATNIK. All witnesses will have 10 days in which to do that.

General Evans, I believe you have a request for a statement by a representative of the council?

Mr. FASCELL. At this point, Mr. Chairman, I would like to introduce into the record a statement which has been sent to me from Mr. Nat Ratner, who asked me to get it into the record. He is opposed to the project, but he sends this statement to be included in the record along with exhibits which I would like to draw to the committee's attention.

Mr. BLATNIK. What is the nature of the exhibits? Are they photographs or other such type material?

Mr. FASCELL. He does not ask for them to be included in the record, Mr. Chairman.

Mr. BLATNIK. They will be included in the file which will be kept on the project.

Mr. FASCELL. Mr. Chairman, I thank you.  
(The statement of Nat Ratner follows:)

#### STATEMENT OF NAT RATNER

My name is Nat Ratner and I ask you to consider the evidence which I am going to present to you and then I ask you to vote against the selection of the proposed site as a port for Greater Miami.

I have resided in Greater Miami for 25 years and I and the members of my family own apartment houses, hotels, a lumber yard, and other properties throughout the area, including property on Fisher Island presently reachable only by boat, which island is adjacent to the projected port site under discussion today.

There are 14 individuals besides myself who own a substantial interest, either in corporate or in personal form, in Fisher Island, and until quite recently the existence of their interest has been a secret, a secret which was only forced out by court testimony. By interesting circumstance, the chairman of the subcommittee of the Dade County Development Committee which was responsible for the selection of this particular port site and also a member of his committee both turn up as owners of property on Fisher Island. Other owners turn out to be influential political figures and other notables. The strategic location of this port in relation to Fisher Island can be seen by examining the maps which I am herewith presenting to you. It is apparent that property on Fisher Island will enhance many, many fold if the suggested port area really becomes the port site asked for here today. The owners of Fisher Island will make millions. I would rather not make my money by this method. The port is an obnoxious thing in the suggested location, and it will permanently blight the beauty of downtown Miami and of Biscayne Bay. It will cost much more in the location suggested than if it were in several other better locations, and it will not provide for gradual expansion later, which ought to be a requisite.

As a realtor, I most certainly believe in the right of private ownership of property. As an American, I can never believe that an entire community ought to suffer the existence of a poorly located, poorly selected port, just so a group of men may be privately enriched thereby. My analysis is that if the port be completed in the suggested location, then it would be easy and simple to run a little bridge from there to Fisher Island, increasing the value of that Island from about \$2 million (for which it was sold) to a new valuation in the neighborhood of \$25 million. I served as the personal real-estate representative of Mr. Garwood, when he sold most of Fisher Island to some of the present owners. Further, I was closely associated with the chairman of the committee which selected the port site. My knowledge of the background of this matter compels me to speak up. I ask you then to carefully read the presentation which I am enclosing which consists in the main of newspaper clippings. The public interest ought to be dominant in your mind and actions. An investigation of this entire matter should be made forthwith by an appropriate congressional investigating committee.

#### STATEMENT OF GEN. ARTHUR E. EVANS—Resumed

General EVANS. Mr. Chairman, thank you very much for these 1 or 2 minutes. I want to apologize. I want to apologize to the people of Miami for perpetrating this on you today. The opponents are strong; they are many and they represent the 300,000 people in Miami and pretty close to the 800,000 in the metropolitan area. They chose one speaker. I think I was probably on the stand about a half-hour or so. I apologize for all this time which you have had to take from a rather busy schedule to listen to all these repetitious remarks. However, I want to make one request. Can the mayor, who is a commis-

sioner—and this is not a strong mayor form of government—and those of you who know the city manager form of government know that the mayor is simply 1 of 5 commissioners, and all he has been in there is the chairman of the commission. He has no more rights than the others, and he does not run on a platform. He runs as a mayor for 2 years, and he is chairman of the commission only, and I would like 1 commissioner to say 2 or 3 words to you, and that is Commissioner Hearn.

Mr. BLATNIK. Mr. Commissioner, would you give your full name for the record?

**STATEMENT OF B. E. HEARN, SR., CITY COMMISSIONER, CITY OF MIAMI, FLA.**

Mr. HEARN. Thank you, Mr. Chairman, and gentlemen of the committee. My name is B. E. Hearn, Sr., city commissioner of the city of Miami, Fla.

I am going to qualify my position just a moment. I have been a resident and taxpayer of Dade County and city of Miami since 1910. I was interested in the first part of the work when we constructed the port in 1918. I have been interested in the development of the port continuously since that time. I was elected to the city commission in November of 1953, and served continuously since that time. I was reelected last November by a strong majority over two other opponents.

My colleague, Mr. DeBrell, was elected by more than an 8,000 majority over 4 opponents, and we ran on a platform of strictly building a port on the Dodge Island site. I want that to go into the record because that was our platform, and that was the basis on which we were elected.

I believe that is sufficient proof to say that the people of the city of Miami are interested in a port at Dodge Island. I want to point out briefly on this map here that just a few years ago the Supreme Court went in and ruled that this was industrial property and that the city of Miami Beach could not claim it as residential property because they could give them no services. That is a matter of record in the supreme court of the State of Florida.

I would like to say further that with reference to Fisher Island and this other island that in early 1956 the entire commission composed at that time of Mayor Christmas, Jimmy High, Commissioner Shiver, George DeBrell, and myself met with the city commission of the city of Miami Beach informally at which Mr. Lipp, the city manager, was present, and they informally agreed that the Dodge Island site would be good for our area. That was informal, and no formal action was ever taken.

The city of Miami has provided the storm sewage, the sanitary sewage, and disposal plant, and at an expense of approximately \$27 million, to relieve Biscayne Bay of the sewage that was dumped in there. That was done by a general bond issue from the city of Miami.

They refer to the traffic across Biscayne Boulevard. Gentlemen, the record shows that by an agreement with the FEC authority the city of Miami will have two passages across that boulevard after the traffic in the evening and before the heavy traffic in the morning. The marshaling yard will be on Dodge Island, and I respectfully point out

to you that Dodge Island, approximately one-half mile from Hibiscus Island, would be no hazard. There is presently just east of this [indicating] along about this place, the Florida Power & Light Co. plant, which emits smoke and soot of the worst kind, which will go directly across here [indicating].

The Dodge Island site, as you see, with the wind coming from the southeasterly direction, very little of it will hit Hibiscus Island. I think that you have been misled by some of the statements that have been made by our opponents and I am happy to say that they are looking after the welfare of the city of Miami, but they forget to tell you gentlemen that the city of Miami has to burn their garbage, furnish them with the water they drink, they have to bury their dead, and I believe we are in a capable position of taking care of the city of Miami.

Thank you for the opportunity of appearing here before you and refuting some of the statements that have been made here this afternoon. [Applause.]

Mr. BLATNIK. Thank you, Mr. Hearn.

#### STATEMENT OF MORRIS LIPP—Resumed

Mr. LIPP. Mr. Chairman, some of the members of the City Council of Miami Beach and some of the members of the City Commission of Miami did about 2 or 3 years ago have an informal meeting and discussion on the proposed Dodge Island plan.

The City of Miami Beach Council could not, therefore, legally take any stand in connection with the program. I am sure that the minutes of the council meetings of the city of Miami Beach will reveal that at no time did the city council ever endorse the Dodge Island port plan, but that it has always been opposed to the Dodge Island port plan.

Mr. BLATNIK. Thank you.

If there are no further witnesses, the Chair will announce that we appreciate the well-prepared testimony and the sincerity with which it was presented, and we assure each and every witness who has participated in the hearings today the fullest and most conscientious consideration of this whole problem. Our aim here is to help in the development of the rivers and harbors wherever the needs may arise in this great country of ours, at the same time respecting the local wishes. We hope that some way will be found to satisfactorily solve this problem, and may I, if I may not be too bold, suggest that a good share of the responsibility, however, will remain on the shoulders of the local citizens and local governmental units, both municipal and county, to resolve their differences or reduce to the minimum the areas of differences, thereby making a stronger case in behalf of what is obviously an important harbor area in that whole general section of the State of Florida.

We thank each and everyone of you for your appearance here today, and the hearings are adjourned.

(Thereupon, at 3:15 p. m., the subcommittee adjourned.)

