

May 25, 1964

MEMORANDUM

RE: Valdez

In discussion today with Mr. Stutzman of URA's consulting firm, I was advised that annexation is of concern to URA's regional counsel if annexation is accomplished by legislative action. Stutzman remarked that URA's regional counsel expressed concern over legislative annexation in view of the constitutional authority given the Boundary Commission. This, Stutzman thought, might delay release of funds. Riley volunteered to contact Hayes in this respect.

Stutzman stated we will have to figure on operating the present town for at least a year.

He stated the Corps is getting the dock into operation near the old site, but that something must start in the new townsite for purposes of attracting people.

Standard Oil has indicated its readiness to float tanks over to the new site but needs direction for their placement.

Stutzman states, regrettably, we shall have to spend more 875 monies in the existing townsite than we should like, but meanwhile must spend monies in the new townsite to attract people and prevent retrenching in the old.