

\$2,325,000 Bond Sale Scheduled By City June 30

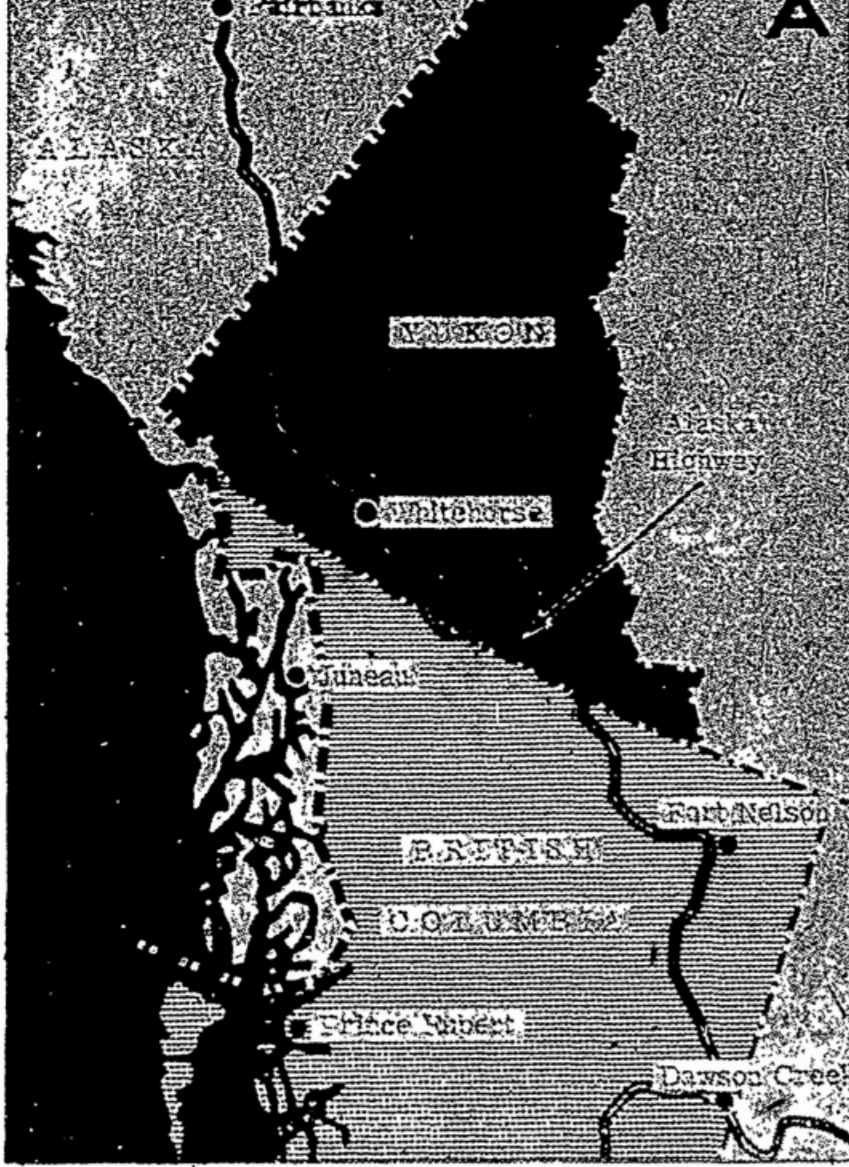
Tax Increase For Spenard Is Predicted

A 5 to 7-mill tax hike for Spenard may be necessary if services and improvements in the area are to go forward, according to Ron Rettig, speaking on behalf of the Spenard Public Utility District. Spenard has a 5-mill rate now. Residents also pay another 10 mills to the school district.

The board met in special session last night to consider budget proposals for the fiscal year beginning July 1.

Sewer service tops the list of items the board foresees for the future. In addition, a large Spenard area is plagued by high water tables and corrective action must be taken. Rettig said. Past control and other improvements and services repeatedly requested by citizens of Spenard may force the mill rate up.

Another special budget session will be held Monday at which time the Greater Anchorage Health District and the Spenard Volunteer Fire Dept. will be asked to present their budget requests.



THE LYONS SWAP PLAN — Map A on the left shows the Canadian-Alaska border as it is today. Map B on the right shows the proposed land swap that would give Alaska the tip of British Columbia and give Canada the ocean ports in the Alaskan Panhandle.

Financial Groups Laud City Method

Proposals for the sale of City of Anchorage general obligation bonds in the total amount of \$2,325,000 will be opened at the city hall June 30 at 10 a.m.

Procedures for the bond sale were authorized at an Anchorage City Council meeting last night when three ordinances were approved as emergency measures. Ordinarily two readings of ordinances are required. The city itself is handling the bond sale. City officials made it do plan to remain in Anchorage.

Four officials of Red Dot Foods are in Anchorage now completing details of the transaction. They are Frederick Meyer, president; Russell J. Dymond, controller; Don Alexander, public relations director; and John Lautenschlager, purchasing agent.

MEYER CAME to Anchorage by commercial airline, but the other three, with company pilot Hal Schoeder, had a more adventurous time. They started here in one of the firm's three planes, a Cessna 310, but lost an engine en route and landed at Watson Lake, Yukon Territory. From there bush pilot Dick Stanzler of B. C. Yukon Air Service flew them to Fairbanks in a deHavilland Beaver, and they continued to Anchorage. The Red Dot firm, one of the nation's largest snack foods companies, operates in 12 Mid-west states with home offices at Madison, Wis. About 80 per cent of its business is manufacture and distribution of potato chips, Alexander said.

This is the 27-year-old firm's first extension outside the Midwest.

Alexander said Red Dot officials first became interested in Alaska when Dr. H. Dearborn, who was working on potato research at the Matanuska Experiment Station, visited the Red Dot research farm directed by Dr. Frederick J. Stevenson just when Alaska statehood was top news topic last summer.

MIDWESTERNERS BUY POTATO CHIP FIRM

Red Dot Foods, Active In 12 States, Extend Their Operations To Alaska

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Negotiations On Airports To Continue

JUNEAU (AP)—Negotiations between the state and the Federal Aviation Agency on a contract for operation of the Anchorage and Fairbanks International Airports will resume here late this week or early next week.

The contract talks, in preparation for scheduled transfer of ownership of the two fields to the state on July 1, opened last week at Anchorage.

Acting Gov. Hugh J. Wade said the state would be represented in the conferences here by Richard Downing, commissioner of public works; Finis Guertin, commissioner of administration, and members of the attorney general's staff.

THE FAA, which would continue to provide maintenance and operating personnel at the two fields under terms of the proposed one-year agreement, will be represented by Al Hulen, regional director of the agency, and members of his staff.

Terms of the proposed contract between the state and the federal agency have not been disclosed. Wade said the pact for the two international airports would provide a pattern for later agreements covering 14 other so-called intermediate airports that also are scheduled to be transferred to state ownership on July 1 under terms of the Alaska omnibus bill now before Congress.

Generally, the proposed agreement would call for present federal employees at the airports to continue their present duties under contract with the state.

GUERTIN SAID the proposed pact would cover about 70 federal employees at the two fields. The agreements for the state contract will not cover FAA employees at the airports, which remains a federal function. The employees concerned are in the management, operations and maintenance staffs of the airports.

DeJulio Rites Held

PALMER — Funeral services were held here today for Alvin Jay DeJulio, 47, owner and publisher of the Valley Frontiersman. The services were conducted by the Elks, assisted by the Rev. Bertram Rutan, pastor of the United Protestant Church.

DeJulio, who has been connected with the printing trade in Alaska for 19 years since he came to this area, died Sunday in the Valley Presbyterian Hospital after a short illness. He leaves a wife and three children.

Active pallbearers were Jack Smolok, John Weisenberger, James Hurley, George Smith, Ray Lancaster and Gerald McWally. Honorary pallbearers were H. P. Gazaway, William Zahradnick, Jack Maza, Lee Hartley, William Curtis, and Alton Mick.

Interment was in the Palmer Cemetery. The burial service was in charge of the Matanuska Valley Post of the American Legion.

Big Swap Offered: Alaska To Give Up Panhandle In Return For Canada Land

By BOB KEDERICK
Times Staff Writer

A Canadian engineer who apparently has the ear of the Alaska State Legislature, McCombe is proposing a mammoth real estate transaction between the United States and Canada.

He wants the U.S. to give most of the Southeast Alaskan Panhandle to Canada in exchange for Canadian land west of the Alaska Highway.

The engineer is Robert F. Lyons, who figures that the land swap would open up Pacific ports for British Columbia.

ACCORDING to the Canadian newspaper "The Financial Post," the land trade may become one of the objectives of the British Columbia government's cabinet. "The Financial Post" said recently:

"It may become the job of a special commission which will try to sell the plan to Alaska."

The land swap plan now under consideration by the British Columbia government, says The Financial Post, "is a watershed down version of a giant land swap urged on the British Columbia Legislature by a 58-year-old Vancouver engineer named Robert F. Lyons."

THE LYONS plan would give Canada everything in Southeast Alaska east of the Lynn Canal and Chatham Strait, including the cities of Ketchikan, Wrangell, Petersburg, Skagway and Juneau. Alaska would retain only Haines and Sitka and the Excursion Inlet area.

In return for this, Alaska would receive that Canadian territory lying west of the Alaska Highway.

Lyons' plan is substitute for the proposed Canadian "corridors" through Southeast Alaska to support the corridor, says Lyons, "are an expedient, not a solution."

The Financial Post detailed the boundaries and benefits to Canada in this manner:

"PROPOSED new boundary between Alaska and Canada would cut south along the Alaska Highway and the Haines and Cutoff Highway, then lead to head of bay north-northwest of Haines. It would then run to the down mid-channel of Lynn Sound and Chatham Strait to the Pacific.

"It would give Alaska the valuable land west of the highways and proposed new boundary, including parts of both Yukon Territory and British Columbia. This would preserve much of the northern fishing grounds and give Alaskans overland access to Haines and new cities and ports at Glacier Bay, Alek River and Yakutat Bay.

"It would give direct road and rail connections to existing Alaskan transportation systems, and fishermen to be employed in the Bristol Bay red salmon fishery this season was to be in the vast Kluge Park area."

THE PLAN, British Columbia would get that part of the Panhandle east from the proposed boundary and south to Portland Canal (which is south of Ketchikan).

The Financial Post added: "The Lyons plan might change the nationality of a handful of Canadians and Americans, and this would be a major objection to the plan."

In another story in the same issue of the Post, it was reported that two British Columbia government officials are expected to be in Juneau on July 4 "to look around."

THE VISIT hasn't been confirmed yet, but the Post said that if they went they would go to...

SCHOOL BOARD FEARS LOSS OF \$176,000

In a formal motion last night the Anchorage Independent School District Board voted its opposition to proposed amendments to federal laws that would reduce financial payments to schools handling children of persons employed on federal property.

Among personnel changes adopted by board members of the Anchorage Independent School District at last night's meeting was the selection of Reinford L. Mattoon as new assistant superintendent for the school district.

The post has been vacant since the resignation of Dr. Hugh L. Hambrick late last summer.

Mattoon, 41, principal of the Central Junior High School, has been principal at Central and largest reduction would come in Airport Heights schools since the case of children whose parents work on government property outside the school district. Payment in this case would be cut in half.

A large number of the students in both the Anchorage and Fairbanks school districts fall in this category. Superintendent H. K. Liffman pointed out. He also explained Anchorage has an additional problem in that \$55,000 worth of property in the Anchorage district is not subject to local taxes.

THE BOARD agreed to send telegrams to all members of the Alaska congressional delegation stating the board's opposition. The wires were to be sent today and will be followed by letters explaining specific, concrete objections to the proposed legislation.

The support of various national groups concerned with the problem will also be sought by the board members.

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Last Rites Set For Youngster

Funeral services for Michael LaVerno Chambers, 8, of Sunda Lake, will be held tomorrow at 2 p.m. at Evergreen Memorial Chapel. The Rev. Virgil Hegle, pastor of the Sand Lake Baptist Church will officiate. Public visitation will be today from 8 to 8 p.m. at the chapel.

Born Sept. 7, 1950, at Wenatchee, Wash., the boy was the son of Earl M. Chambers, who died Saturday when he fell from a dock on Sunda Lake.

Tide Tables

Thursday, June 11, 1959

High Tide	
6:42 a.m.	21.8 ft.
6:44 p.m.	20.6 ft.
Low Tide	
8:48 a.m.	10.1 ft.
3:56 p.m.	2.1 ft.



JAPANESE OILMEN VISIT — Two geologists representing Japan Petroleum Exploration Co., Ltd., of Tokyo are in Anchorage this week to begin a preliminary survey of prospective Alaska oil areas with a view to future exploration. Hideo Amimo, center, is chief of the exploration department of Japan Petroleum. Tatsumi Shirahishi, left, works under Amimo. C. T. Takahashi, right, Seattle importer and exporter, and Ralph Brown, standing, Anchorage economic consultant, are accompanying the two geologists, who plan to visit the Kenai Peninsula, Copper River area, and Nushagak-Kuskokwim River basins.

Air Teamster 'Rights' Bill

WASHINGTON (AP)—The House has passed a bill that would give air teamsters the right to organize and bargain collectively.

In a conciliatory appearance before the House Labor Committee, Teamsters spokesman Alexander said the bill was a concession to Senate opposition.

The proposals advanced by union attorneys were characterized as "a very reasonable approach" by Rep. William H. Ayres (R-Ohio).

The Teamsters' critics and suggestions were presented by Sidney Zagl, the union's legislative representative, and David Freivant, special counsel for the Teamsters.

PREVARIANT TOLD the House committee the Teamsters Union quires were made, and about the purpose of the bill. Alexander said local potatoes will continue being used for as long as possible. There is no problem in using new crop potatoes, but there still are troubles in using stored Alaska-grown tubers, he explained. "We hope to use local potatoes entirely, in the future, if we can solve the problem."

The Red Dot company will probably plan for a new plant here some time in the future, according to Alexander. "We are in business in Alaska," he said.

AF Assn. To Hear Dr. Spaulding

Dr. Roland H. Spaulding will be the guest speaker at the regional meeting of the Anchorage Spelling Bee Association tomorrow at 7 p.m. at Thompson Cafe.

Doctor Spaulding is the Professor in Charge of Aeronautical Education, School of Education, ground and problems for dissemination of information concerning a month here conduct-munity-wide.

Richard B. Smith, director, will report on annual meeting of several members to become the Aviation Education University of Alaska and the United States Air Force.

Cooper Lake To Be Topic

Cooper Lake hydro plant construction plans will be discussed at a meeting of Chugach Electric Assn. directors today at 8 p.m.

Authorization is scheduled to be given for additional stream gauging on the project. A discussion will be held on a contract with the Forest Service for purchase of merchantable timber on the transmission line route and on a resolution approving plans and specifications for transformer, switchgear and appurtenances. A bid opening on an Anchorage to Bird Point transmission line will be June 10.

HEARING SET HERE ON OIL, GAS LEASE RULES

JUNEAU (AP)—A public hearing will be held here today on proposed rules and regulations to control oil and gas leases on Alaska land.

The hearing was scheduled by Phil Holdsworth, state commissioner of natural resources.

The regulations would become effective 30 days after action on any changes in the proposals made at the hearing, Holdsworth said.

The proposed rules cover such matters as availability of land for leasing, qualifications, limitations, rentals and royalties, and practicing and procedures governing competitive and non-competitive regulations.

THE REGULATIONS, drafted by the resources department and its division of lands, will implement provisions of the Alaska land act passed by the Legislature.

Holdsword said application forms proposed for leasing of state oil and gas lands would run about 16 pages, and the regulations supporting the lease activities would be about twice as long.

Copies of the proposed regulations will be available from the department's land office at Anchorage, he said.

The hearing will be held at the city's Z. J. Loussac Library.

Report Stock

NEW YORK (AP)—Today's closing stock market report follows:

Alaska Juneau	5
American Can	42 1/2
American Tel & Tel	42 1/2
American Viscose	45 1/2
Anaconda Copper	66
Bechtel Inc.	26 1/2
Chrysler Corp.	66 1/2
Continental	45 1/2
Doboy Minerals	11 1/2
Dow Chemical	53 1/2
Ford Motor Co.	40
General Dynamics	20
General Electric	20
General Motors	20
Goodyear	58 1/2
International TET	27 1/2
Kennecott Copper	109 1/2
Lobby McNeil & Leiby	13 1/2
Montgomery Ward	46 1/2
Northern Pacific	24 1/2
Pac Gas	20 1/2
Pan American Airways	25 1/2
Phillips	47 1/2
Goodyear	58 1/2
Richfield	40 1/2
Sears Roebuck	46 1/2
Sherrill	79 1/2
Sherrill Oil	79 1/2
Standard Oil Calif	52 1/2
Standard Oil N.J.	51 1/2
Sunray	25 1/2
Texaco	79 1/2
Union Oil	44 1/2
Union Pacific	34
US Steel	94 1/2

Alaska Girl Wins Spelling Bee

through the first day competition are Irvin D. Gordon, 14, Marlboro, N.H.; Allan Lee Kramer, 13, Lake Worth, Fla.; Robert Crossley, 12, Center Square, Pa.; Jeanette McGhee, 14, Jacksonville, Ohio; Joel Montgomery, 12, Elyria, Ohio; and Charlotte Ballard, 14, Hazelton, Kan.

AFTER THE 32nd national spelling champion is decided tomorrow, George and the other 60 contestants along with their escorts will take a sight-seeing tour to historic Alexandria and Mt. Vernon. Returning they will take a boat ride up the Potomac back to Washington.

The National Spelling Bee is sponsored by the Scripps-Howard Newspapers and other leading newspapers throughout the nation. George's trip to the capital was sponsored by the Anchorage Daily Times.

Cannery Workers To Head North For Bristol Bay

SEATTLE (AP)—The vanguard of Washington cannery workers is expected to leave here today for Bristol Bay to begin the season's work.

The industry this year will employ as many resident workers as it did last year, according to Elmer Harris, chairman of Bristol Bay operators in the Alaska Salmon Industry, Inc.

However, the number of fishermen and other employees from north for the season will be cut in half.

About 1,000 persons now are at work on king salmon runs in the Nushagak River. An additional 1,500 persons will be needed in other Bristol Bay areas for the red salmon season from June 22 through July 25.

The industry has just signed a 1959 agreement for the area with the Alaska Fishermen's Union, Harris said. The confirmed yet, but the Post said that if they went they would go to...

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Fire-Rescue Calls

ANCHORAGE
Tuesday, 6:56 p.m., 607 Bragaw Street, a fire at the residence of John H. Berg, believed caused by a cigarette. Loss \$50.

Tuesday, 2:34 a.m., car fire behind freight shed in railroad yards, damage \$50. Car belonged to Glenn Brewster of 211 East Fireweed Lane.

RESCUE CALLS
ANCHORAGE
Tuesday, 7:48 p.m., Fort Starns, Miss Lee O'Connor, 42, suffered pains in leg and hip.

Tuesday, 7:07 p.m., 607 Bragaw Street, John H. Berg, 68, suffered leg injury when he jumped from window during fire. Taken to Providence Hospital.

FAIRVIEW
Tuesday, 3:34 a.m., two miles on O'Malley Road from Seward Highway, Joanne Bumgarner, 24, was dead of gunshot wound upon arrival of firemen.

Motion Denied To Drop Charge Against Wilson

A deputy U.S. commissioner refused today to grant a motion for dismissal of a burglary charge against Franklin Delano Wilson filed by the man's attorney.

The motion was put before the court when the plaintiff in the case, a private prosecutor, failed to appear in court.

The trial of Wilson on the charge was set over until an effort had been made to contact the complainant. The man is accused of burglarizing Chron Motors here on June 8.

He is free on his own recognizance.

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