

**6/8/78 [2]**

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THE WHITE HOUSE  
WASHINGTON

June 8, 1978

Frank Moore

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson



*Frank*

THE WHITE HOUSE  
WASHINGTON

RECOMMENDED TELEPHONE CALLS

TO : Congressman Albert Gore, Jr. (Tenn.), and  
Congressman Tim Lee Carter (Ky.)

DATE : June 8, 1978

RECOMMENDED BY: Frank Moore *F.M.*

BACKGROUND : The key vote will occur today on the Santini amendment which would gut the Hospital Cost Containment bill by substituting a voluntary program to be monitored by a commission which would make recommendations if the hospital industry failed to meet the voluntary goals in cost reductions. The headcount in Commerce on final passage is still very close.

In as much as we and the labor movement are opposed to the Santini substitute, we should be able to defeat it. On the motion to recommit yesterday morning, we were opposed by the AHA, the FAH, the AMA, and labor. The recommitment vote was 24-16.

Congressman Gore is still undecided but he's listening and it may be possible to get him. He voted with us on the recommit. *L+*

Congressman Carter is still with us, but we can be sure he is getting extraordinary pressure from his GOP colleagues. He is very important to us -- well worth a call. *done*

"THANKS For you vote yesterday"

Page 2

TALKING POINTS FOR CONGRESSMAN GORE:

Hale Champion met with Gore yesterday morning; Gore listened well, but the result was inconclusive and Gore remains undecided about his position. However, Gore voted with us on the motion to recommit the bill to Subcommittee, and he should be thanked for that vote.

Certain of Gore's comments to the Under Secretary regarding rural hospitals indicate that he still does not fully understand the bill and that he confuses it with health planning. (On health planning, by the way, strong protections have already been adopted--both in the draft legislation reported by the House Commerce Committee and by HEW in regulations--to guard against disruptions in rural hospitals.)

Gore should be assured that we agree with him about the necessity to protect rural hospitals, especially in under-served areas, and that we believe--and other rural Committee members agree--the current draft bill does as well in that regard as is possible, without undercutting the essential purpose of the legislation.

*LATYOT found in His District is 25,000*

TALKING POINTS FOR CONGRESSMAN CARTER:

Congressman Carter should be called and thanked for his strong support and leadership on this bill, in the face of constant and heavy lobbying from opponents and great pressure from his Republican colleagues. He should be praised and thanked for his eloquent statement this morning in opposition to the motion to recommit, and urged to continue to avoid eroding amendments to the "Rogers/Carter" compromise.

✓ *WILL CAN ALL OUTHOURS.*

DATE OF SUBMISSION: June 8, 1978

THE WHITE HOUSE  
WASHINGTON  
June 7, 1978

9  
/

MEMORANDUM FOR THE PRESIDENT

FROM: FRANK MOORE

LABOR/HEW

We are lacking a credible sponsor for our amendment to reduce increases in the HEW bill by \$440 Million. We have talked to Omar Burleson (D-Texas), Bill Alexander (D-Arkansas) and Joe Fisher (D-Virginia). All of them are sympathetic to the amendment but at this point none are willing to be the sponsor.

I believe a call from you will be able to get 2 out of the 3. I recommend that you call them in the above order and when one makes a commitment to sponsor, there is no need for you to call the others.

The amendment you will be asking them to sponsor does the following:

Eliminates the entire add-on for Title I of the Elementary and Secondary Education Act.

Eliminates the entire add-on for middle income student assistance programs (\$233M)

Eliminates \$107M of the add-on for Health Professions Grants.

See Cable  
memo for  
last minute  
development  
Pd  
6/7  
9:00pm

The deal that I talked to you about earlier that Cong. Dave Obey was trying to cut with Cong. Floor, fell through.

The present schedule in the House is the continue debate on Labor/HEW tonight, interrupt for the New York City vote when they go into session at 10:00 a.m. tomorrow and then resume debate on Labor/HEW.

NEW YORK CITY

I recommend that you call the following Members before 10:00 a.m. tomorrow morning: Lee Hamilton (D-Indiana), Robert Kastenmeier (D-Wisconsin) and Paul Rogers (D-Florida) *ok*

The Treasury Department has implied to the press that you have taken a personal interest in this matter and will be making some phone calls. I recommend that a few symbolic calls from you to these Members are important.

I have attached Secretary Blumenthal's June 5 memo to you and his talking points for use in these calls.

THE WHITE HOUSE

WASHINGTON

MEETING WITH SENATORS ON TURKEY/GREECE

Thursday, June 8, 1978  
8:30 a.m. (10-15 minutes)  
Cabinet Room

C

From: Frank Moore *F.M.*

I. PURPOSE

To explain to these Senators who have indicated support for your program your own deep commitment to it and to ask for their help in developing a plan for bringing the issue to the Senate floor.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: We have convened these 13 Senators in order to discuss with them how we can build a leadership group to carry our program to the Senate floor. Our work in the Senate is more difficult than in the House because the SFRC, while supporting the FMS portion of the Eastern Mediterranean proposal, disapproved lifting the embargo 8 to 4.

During the meeting we should discuss how to develop a leadership group for the Senate floor debate and the tactics and timing for the introduction of the floor amendment.

When you enter, we will have been meeting since 8:00 a.m. Secretary Vance opened the briefing with a description of your talks with Ecevit and Caramanlis. Secretary Brown will have talked about our strategic interests.

B. Participants:

- \* ~~Senator Howard Baker~~ (R-Tenn.)  
Senator Henry Bellmon (R-Okla.)  
Senator Lloyd Bentsen (D-Texas)  
Senator Dale Bumpers (D-Arkansas)
- \* ~~Senator Robert Byrd~~ (D-W.Va.)  
Senator John Chafee (R-R.I.)  
Senator Frank Church (D-Idaho)  
Senator George McGovern (D-S.Dakota)

\*Senators Byrd & Baker unable to attend. Baker is sending Sen. Ted Stevens in his place.

Senator Robert Morgan (D-N.C)  
 Senator Sam Nunn (D-Georgia)  
 Senator John Sparkman (D-Alabama)  
 Senator John Stennis (D-Miss.)  
 Senator John Tower (R-Texas)

Secretary Vance, Secretary Brown, General Jones,  
 Clark Clifford, and Ambassador Ron Spiers available  
 to answer questions.

State: Doug Bennet and Nelson Ledsky

DOD: Jack Stempler

WH/NSC Staff: Bob Beckel, Madeleine Albright,  
 Paul Henze

- C. Press Plan: Brief photo session with open mikes  
 when you arrive. White House press photographer.

### III. TALKING POINTS

1. The Eastern Mediterranean initiative is a top priority item because the proposals are designed to break the impasse which is (a) frustrating progress on the Cyprus problem; (b) straining relations with two valued allies, Greece and Turkey; and (c) contributing to the serious deterioration of U.S. and NATO security interests in the Eastern Mediterranean.
2. We have worked out a plan for individual contact with as many Senators as possible by high Administration officials. Our Ambassador, Ron Spiers, who is here today, will be meeting with Senators. General Haig has been on the Hill and will return for more briefings the week of June 19.
3. We are simultaneously working with House members to contact and brief them.
4. Because the Senate is tied up with Labor Reform, the House will probably have to vote on the question first. It would obviously be helpful if we could get some public activity in the Senate. Perhaps Senator Stennis will agree to having hearings in the Armed Services Committee.

10:15 AM  
10:25

THE WHITE HOUSE

WASHINGTON

June 8, 1978

MEETING WITH STATE CHAIRMEN

Roosevelt Room  
10:15 a.m. ( 10 Minutes)

by: Tim Kraft

- I. PURPOSE:
- II. BACKGROUND, PARTICIPANTS, PRESS:

Introductory

A. BACKGROUND:

These state chairmen have been invited to come to the White House for the last in a series of briefings conducted by Senior White House staff members to give them some insight on Administration policies and legislative initiatives. This briefing is taking place at the start of the two day meetings of the Democratic National Committee; this is the first time, for many of these chairmen, to visit the White House. You will see the full Committee this evening at the reception at the White House.

B. PARTICIPANTS:

- Chet Atkins, Massachusetts State Chair
- Jesse Bankston, Louisiana State Chair
- Dominic Baranello, New York State Chair
- Dorothy Bush, Secretary, DNC
- Ed Campbell, Iowa State Chair
- Didi Carson, Nevada State Chair
- Senator Dick Coffee, New Jersey State Chair
- Dr. Dan Croy, New Mexico State Chair
- Bert Coffey, California State Chair
- Frank Cruz, Guam Chair
- Dick Durham, Puerto Rico Chair
- Aaron Henry, Mississippi State Chair
- Minoru Hirabara, Hawaii State Chair
- Howard Hunt, Kentucky State Chair
- Toby Hyde, Democrats Abroad
- Richard Ista, North Dakota State Chair
- George Klein, Idaho State Chair

Jim Klonoski, Oregon State Chair  
Sheila Kowal, Colorado State Chair  
Betty McCain, North Carolina State Chair  
Harold Pachios, Maine State Chair  
Terrence J. Scanlon, Kansas State Chair  
Rick Scott, Minnesota State Chair  
Charles Stough, Canal Zone Chair  
Ronald Swenson, Utah State Chair  
Joanne Symons, New Hampshire State Chair  
Harvey Thiemann, Pennsylvania State Chair  
Paul Tipps, Ohio State Chair  
John Touhy, Illinois State  
Dick White, Nebraska State Chair  
Anne Campbell, President, Association of State  
Chairs  
John White, Chairman, DNC  
Dan Horgan, Chief Executive Officer, DNC  
Evan Dobelle, Acting Treasurer, DNC  
Tim Kraft, Assistant to the President

C. PRESS:

White House Photo

III. TALKING POINTS:

Brief greeting and photo; thanks for their interest and involvement in policies of the Administration; urge them to speak out on programs to Congress and at home.

THE WHITE HOUSE  
WASHINGTON

June 8, 1978

Stu Eizenstat  
Frank Moore  
Jim McIntyre  
The attached was returned in  
the President's outbox. It is  
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Rick Hutcheson

NEW PLANNING AND CONSTRUCTION  
STARTS ON WATER RESOURCES PROJECTS

	FOR STAFFING
	FOR INFORMATION
	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION  
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
X	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
X	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
X	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

JUN 02 1978

*C*

MEMORANDUM FOR: THE PRESIDENT

FROM: Jim McIntyre *Jim*  
Stu Eizenstat *Stu*  
Frank Moore *F.M.*

SUBJECT: New Planning and Construction Starts on  
Water Resources Projects

Your FY 1979 Budget included no new construction or planning starts for the water resource development agencies, promising that new starts would be considered in conjunction with your water policy recommendations. We have stated since that you would indeed recommend some new starts--the first such recommendations from the Executive Branch in four years.

We recommend that you approve and send to the Congress the new construction and planning starts set forth in the attached listings: 29 new construction starts at a total estimated Federal cost of about \$687 million and 10 planning starts. We also recommend a budget amendment for \$75 million to fully fund approximately 25 Soil Conservation Service small watershed projects which will be selected later this year. The outlay effects of a new start package of this magnitude in 1979 can be accommodated within the 1980 target planning levels now under discussion, though ongoing construction will have to be stretched out somewhat.

The projects we are recommending following discussions with the Departments of the Army and Interior meet the economic and environmental criteria included in our water policy reform recommendations. In addition, these projects are procedurally ready for construction or detailed planning. Although most of the projects are traditional structural measures, two of them are non-structural.

The projects which we recommend were selected from a much larger universe of 68 potential construction starts (52 Corps and 16 Bureau of Reclamation) and 50 potential planning starts (all Corps). Those not selected tend to have procedural problems (e.g., the lack of an

*29/68 #*  
*10/50*

EIS or completed plan), major environmental problems, low benefit-to-cost ratios, or involve relatively low priority outputs (e.g., recreational boat harbors as opposed to urban flood control).

You should know that two of the candidate projects are opposed by some environmental organizations. They are the Barbers Point Harbor in Hawaii and a unit of the Missouri River Levee System in Iowa.

The Barbers Point project would provide a new deep-draft harbor to supplement Honolulu Harbor on the Island of Oahu which is now approaching capacity. The project has a high benefit cost ratio (5.7 at 6-5/8%) and is supported by the State of Hawaii. No strong adverse views were expressed by any of the State and Federal agencies which commented on the project when it was under review. However, the National Wildlife Federation has expressed concern about possible adverse effects on ground water aquifers from salt water intrusion when a 40-foot channel is dredged, and concerns have also been expressed about possible adverse impacts on endangered plants, archeological sites and coral reefs. These environmental objections have come to our attention only in the past few days, and Army has agreed to examine the aquifer question before construction actually starts. Senators Inouye and Matsunaga have expressed strong interest in this project to Frank Moore's staff and will be disappointed if it is not sent forward.

The Missouri River Levee project would consist of about 95,000 feet of levees along the Missouri River to protect about 24,000 acres of predominantly agricultural land. Much of the Missouri River agricultural land is already protected by levees, and this particular self-contained unit would complete one of the last remaining justifiable segments on the River. (Private levees where this project would be located already provide protection against 25-year floods.) It is the only agricultural flood control project on this list, and it is supported by the concerned State and local agencies. The Environmental Policy Center opposes this project because it believes that the project would conflict with your policies on flood plain management. The project is structural, and the protection provided by the levee is likely to induce development in the protected area. Senator Clark has told Frank Moore's staff that he is personally familiar with the levee in question, was greatly surprised to learn that there was any environmental objection to it, and is in favor of its construction.

DECISIONS

- Barbers Point, Hawaii
  - Include (OMB, CEQ, Frank, Stu)
  - Do not include
  
- Missouri River Levee Unit, Iowa
  - Include (Frank)
  - Do not include (OMB, CEQ, Stu)
  
- New Starts List
  - Approve (Consensus)
  - Disapprove

The public works appropriations bill--as reported out by the House Appropriations Committee--includes funds for seven water projects which were not funded last year by the Congress in accord with your recommendations. The projects are: (Corps) La Farge Lake, Wisconsin; Lukfata Lake, Oklahoma; Meramec Park Lake, Missouri; Yatesville, Kentucky; (Bureau of Reclamation) Savory Pot-Hook, Fruitland Mesa, and Narrows Unit, Colorado.\* If this action is sustained by the House and by later action of the Senate, we firmly believe that a veto is in order. The transmittal of the budget amendments for these new starts provides an excellent opportunity for you to state your position on this issue and to provide a basis for the environmental groups and those members of the Congress who supported your position on water projects last year to work to assure that those projects will not be in the bill when it reaches you. If you approve, we will draft such a statement as part of the budget transmittal.

DECISION

- Approve veto threat (Consensus)
- Disapprove

J

Attachment

\* Frank Moore does not believe that we should object to inclusion of the Narrows Unit. He feels strongly that we should allow the project to go forward, given Senator Haskell's interest in it, and he will speak with you Monday about it. Stu points out that in your comments on Secretary Andrus' May 19 status report you reaffirmed your opposition to this project.

Projects Proposed For New Planning Starts

## OMB Recommendations in Order of Priority

<u>Agency</u>	<u>OMB Rank</u>	<u>Project &amp; State</u>	<u>Project Type</u>	<u>Federal Cost (000)</u>	<u>BCR @6 5/8%</u>	<u>Congressional Interest</u>
Corps	1	San Juan Harbor, PR	Commercial Navigation	\$56,000	1.6	Corrada(D)
Corps	2	Kahoma Stream Flood Control, HI *	Urban Flood	\$4,330	1.14	Akaka(D,2-HI) Heftel(D,1-HI) Inouye(D,HI) Matsunaga(D,HI)
Corps	3	Placer Creek, ID	Urban Flood	\$3,490	1.04	McClure(D, ID) Church(D, ID) Symms(R,1, ID) Hanson(R, ID)
Corps	4	Goleta and Vicinity, CA	Urban Flood	\$28,700	1.3	Cranston(D,CA) Hayakawa(R,CA) Lagomarsino(R,19,CA)
Corps	5	Ponce Harbor, PR*	Commercial Navigation	\$4,250	12.0	Corrada(D)
Corps	6	Ardsley, NY *	Urban Flood	\$1,910	1.02	Caputo(R,23,NY) Moynihan(D,NY) Javits(R,NY) Ottinger(D,24,NY)
Corps	7	Bassett Creek, MN	Urban Flood	\$9,240	1.4	Humphrey(D,MN) Frenzel(R,3,MN) Anderson(D,NM) Fraser(D,5,MN)
Corps	8	Chaska, MN	Urban Flood	\$11,800	1.08	Humphrey(D,MN) Anderson(D,MN) Hagedorn(R,2,MN)

\*Included in House Subcommittee Action.

Projects Proposed For New Planning Starts

OMB Recommendations in Order of Priority

<u>Agency</u>	<u>OMB Rank</u>	<u>Project &amp; State</u>	<u>Project Type</u>	<u>Federal Cost (000)</u>	<u>BCR @6 5/8%</u>	<u>Congressional Interest</u>
Corps	9	Chicagoland Underflow Plan, IL* Precedent setting Urban drainage	Urban Flood	\$1,450,000	1.40	Percy (R, IL) Stevenson (D, IL) Metcalf (D, 1, IL) Murphy (D, 2, IL) Russo (D, 3, IL) Derwinski (R, 4, IL) Fary (D, 5, IL) Hyde (R, 6, IL) Collins (D, 7, IL)
Corps	10	Willapa River at Raymond, WA*	Urban Flood	\$1,830	1.30	Magnuson (D, WA) Jackson (D, WA) Bonker (D, 3, WA)

\*Included in House Subcommittee Action.

PROJECTS PROPOSED FOR 1979 NEW CONSTRUCTION STARTS

OMB RECOMMENDATIONS IN ORDER OF PRIORITY

<u>Agency</u>	<u>Project, State &amp; Issues</u>	<u>B/C Ratio @ 6 5/8%</u>	<u>Purpose</u>	<u>Federal Cost (000)</u>	<u>Congressional Interest</u>
Corps	Hartwell Lake (Fifth Unit), GA & SC	2.2	Power	14,300	Talmadge(D,GA, 0) Nunn(D,GA, 0) Jenkins(D,GA, 9) Thurmond(R,SC, 0) Hollings(D,SC, 0) Derrick(D,SC, 3)
Corps	Honolulu Harbor, HI *	5.7 (12.2@ 3 1/4%)	Navigation	6,935	Matsunaga(D,HI, 0) Inouye(D,HI, 0) Heftel(D,HI, 1)
Corps	Point Place, Toledo, OH	1.2	Flood Control	5,350	Glenn(D,OH, 0) Metzenbaum(D,OH, 0) Ashley(D,OH, 9)
Corps	Two Harbors, MN	6.0	Commercial Navigation	185	Humphrey(D,MN, 0) Anderson(D,MN, 0) Oberstar(D,MN, 8)
Corps	Phoenix, AZ	1.11 (1.8@ 3 1/4%)	Flood Control	133,000	Goldwater(R,AZ, 0) DeConcini(D,AZ, 0) Rhodes(R,AZ, 1) Stump(D,AZ, 3) Rudd(R,AZ, 4)
Corps	Blue River Channel, Kansas City, MO *	1.60	Flood Control	86,100	Danforth(R,MO, 0) Eagleton(D,MO, 0) Skelton(D,MO, 4) Bolling(D,MO, 5)

\* Included in House Subcommittee Action

PROJECTS PROPOSED FOR 1979 NEW CONSTRUCTION STARTS

OMB RECOMMENDATIONS IN ORDER OF PRIORITY

<u>Agency</u>	<u>Project, State &amp; Issues</u>	<u>B/C Ratio @ 6 5/8%</u>	<u>Purpose</u>	<u>Federal Cost (000)</u>	<u>Congressional Interest</u>
Corps	Barbers Point (Deep-Draft) Harbor, HI *	1.3 (2.1 @ 3 1/4%)	Navigation	42,300	Matsunaga (D, HI, 0) Inouye (D, HI, 0) Akaka (D, HI, 2)
Corps	Lower Snake River Fish and Wildlife Compensation Plan, ID *	1.4	Fish and Wildlife	64,100	Church (D, ID, 0) McClure (R, ID, 0) Symms (R, ID, 1) Packwood (R, OR, 0) Hatfield (R, OR, 0) Ullman (D, OR, 2) Magnuson (D, WA, 0) Jackson (D, WA, 0) Foley (D, WA, 5)
Corps	Port Everglades Harbor, FL *	1.5	Navigation	23,000	Stone (D, FL, 0) Chiles (D, FL, 0) Burke (R, FL, 12)
Corps	Hoonah Harbor, AK *	3.4	Navigation	5,000	Stevens (R, AK, 0) Gravel (D, AK, 0) Young (R, AK, A/L)
Corps	St. Lucie Inlet, FL *	1.5	Beach Erosion	5,090	Stone (D, FL, 0) Chiles (D, FL, 0) Bafalis (R, FL, 10)
Corps	Winona, Minnesota *	2.1	Flood Control	22,200	Humphrey (D, MN, 0) Anderson (D, MN, 0) Quie (R, MN, 1)

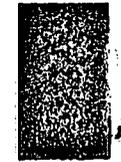
\* Included in House Subcommittee Action

PROJECTS PROPOSED FOR 1979 NEW CONSTRUCTION STARTS

OMB RECOMMENDATIONS IN ORDER OF PRIORITY

<u>Agency</u>	<u>Project, State &amp; Issues</u>	<u>B/C Ratio @ 6 5/8%</u>	<u>Purpose</u>	<u>Federal Cost (000)</u>	<u>Congressional Interest</u>
Corps	Milan, IL *	1.6 3.0(3 1/4%)	Flood Control	9,600	Stevenson(D,IL, 0) Percy(R,IL, 0) Rallsback(R,IL, 19)
Corps	Prairie du Chien, WI *	1.09	Flood Control	3,400	Nelson(D,WI, 0) Proxmire (D,WI, 0) Baldus(D,WI, 3)
Corps	North Nashua River, MA *	2.6 4.2(3 1/4%)	Flood Control	2,100	Kennedy(D,MA, 0) Brooke(R,MA, 0) Boland(D,MA, 2) Drinan(D,MA, 4)
Corps	Metlakatla Harbor, AL	1.2	Navigation	6,000	Stevens(R,AK, 0) Gravel (D,AK, 0) Young(R,AK, A/L)
Corps	Missouri River Levee System, IA, NE, KS and MO(Unit L 611-614)	1.4 3.4(2.5%)	Ag. Flood Control	10,339	Clark(D,IA, 0) Culver(D,IA, 0) Harkin(D,IA, 5)

\*Included in House Subcommittee Action



PROJECTS PROPOSED FOR 1979 NEW CONSTRUCTION STARTS

OMB RECOMMENDATIONS IN ORDER OF PRIORITY

<u>Agency</u>	<u>Project, State &amp; Issues</u>	<u>B/C Ratio @ 6 5/8%</u>	<u>Purpose</u>	<u>Federal Cost (000)</u>	<u>Congressional Interest</u>
Reclamation	Pleasant Valley County Water District, CA *		Irrigation Loan	4,685	Cranston(D, 0) Hayakawa(R, 0) Lagomarsino(R, 19) B. Goldwater, Jr.(R, 20)
Reclamation	Rainbow Municipal Water District, CA *		Irrigation Loan	9,899	Cranston(D, 0) Hayakawa(R, 0) Burgener(R, 43)
Reclamation	Glenn-Colusa Irrigation District, CA *		Irrigation Loan	16,985	Cranston(D, 0) Hayakawa(R, 0) H.T. Johnson(D, 1) R.L. Leggett(D, 4)
Reclamation	Hidalgo County Water Improvement District No. 2, TX *		Irrigation Loan	16,100	Bensen(D, 0) Tower(R, 0) DeLaGarza(D, 15)
Reclamation	Overland Ditch and Reservoir Company, CO *		Irrigation Loan	1,677	Hart(D, 0) Haskell(D, 0) Evans(D, 3)

\* Included in House Subcommittee Action

PROJECTS PROPOSED FOR 1979 NEW CONSTRUCTION STARTS

OMB RECOMMENDATIONS IN ORDER OF PRIORITY

<u>Agency</u>	<u>Project, State &amp; Issues</u>	<u>B/C Ratio @ 6 5/8%</u>	<u>Purpose</u>	<u>Federal Cost (000)</u>	<u>Congressional Interest</u>
Reclamation	South Weber Water Improvement District, UT		Irrigation Loan	1,720	Garn(R, 0) Hatch(R, 0) McKay(D, 1)
Reclamation	Hidalgo and Willacy Counties, Water Control and Improvement District No. 1, TX *		Irrigation Loan	10,982	Bentsen(D, 0) Tower(R, 0) DeLaGarza(D, 15)
Reclamation	La Grande Water District, CA *		Irrigation Loan	1,018	Cranston(D, 0) Hayakawa(R, 0) Leggett(D, 4)
Reclamation	West Bench Irrigation District, MT		Irrigation Loan	3,147	Melcher(D, 0) Hatfield(D, 0) Baucus(D, 1)
Corps	Big South Fork National River and Recreation Area, KY and TN		Recreation	124,300	Ford(D, KY, 0) Huddleston(D, KY, 0) Carter(R, KY, 5) Baker(R, TN, 0) Sasser(D, TN, 0) Duncan(R, TN, 2) Lloyd(D, TN, 3) Gore(D, TN, 4)

Note: The Big South Fork Recreation area is included as a water resource project, but it will provide a National recreation area to be turned over to the National Parks Service on completion.

\* Included in House Subcommittee Action

PROJECTS PROPOSED FOR 1979 NEW CONSTRUCTION STARTS

OMB RECOMMENDATIONS IN ORDER OF PRIORITY

<u>Agency</u>	<u>Project, State &amp; Issues</u>	<u>B/C Ratio @ 6 5/8%</u>	<u>Purpose</u>	<u>Federal Cost (000)</u>	<u>Congressional Interest</u>
Corps	Los Angeles-Long Beach Harbor, CA *	7.6	Navigation	17,300	Cranston(D,CA, 0) Hayakawa(R,CA, 0) Anderson(D,CA, 32)
Reclamation	Oroville-Tonasket Unit, Chief Joseph Dam, WA *	1.5 1.9(5 7/8%)	Irrigation	41,225	Jackson(D, 0) Magnuson(D, 0) Poley(D, 5)
			TOTAL	688,037	

\* Included in House Subcommittee Action

DATE: 05 JUN 78

FOR ACTION:

INFO ONLY: THE VICE PRESIDENT	HAMILTON JORDAN
TIM KRAFT	ANNE WEXLER
JACK WATSON	

SUBJECT: MCINTYRE EIZENSTAT MOORE MEMO RE NEW PLANNING AND  
 CONSTRUCTION STARTS ON WATER RESOURCES PROJECT

+++++  
 + RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +  
 + BY: +  
 +++++

ACTION REQUESTED:

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

20 The President

THE WHITE HOUSE

WASHINGTON

June 8, 1978

F.Y.I.

C

MEMORANDUM FOR FRANK MOORE

FROM: JIM FREE *J.F.*

SUBJECT: Alabama Political Situation

On July 7, 1978, which is the last day to file for office in Alabama, the voters will begin the official process of choosing nominees to fill every office in Alabama from the local school boards to both U.S. Senate seats. The voters will decide on the offices of Governor, Lt. Governor, and all seven congressional seats, some hotly contested.

The Governor today announced the appointment of Mrs. Allen to fill the vacant Senate seat until the special election. The election will be held at the same time as the general election in November. The Governor also intends to announce his plans to seek that office in November. This will throw Alabama into even more confusion politically since Senator Allen's widow Maryon is going to seek the seat in the general election in November (having made the announcement this morning). The late Senator was, without question, the most popular figure in Alabama politics, having received an almost 90% favorable rating in a recent poll. The Senator had let it be known that if anything happened to him, he wanted Maryon to serve out his term. Mrs. Allen is an ambitious woman, having been given a lot of credit for her husband's success in Alabama politics. She is strong and would be very formidable in a statewide election. A race between Mrs. Allen and Governor Wallace would be very personal and rough. If my impressions of the Governor's failing support are true, and if Mrs. Allen can keep her husband's organization in tact, I would have to give her the edge in the race -- but November is a long time off.

The other Senate seat being vacated by Senator Sparkman has a former Chief Justice of the Alabama Supreme Court, Hal Heflin, running against Rep. Walter Flowers. Heflin started his campaign against Governor Wallace who, up until two weeks ago, was an announced candidate. With Wallace out of the race,

Heflin is now seen as the front runner, but he has lost his major issue, Wallace, himself. Heflin has other problems. He is 62 years old and Alabama is very conscious of seniority and sees 47 year old Flowers as having more time to build up seniority. Heflin also authored judicial articles which created an unreasonable pension system for the State Judiciary. The pension system is being criticized in every forum and paper in the state, with Heflin's getting bad press for it.

Rep. Flowers is already doing well in the polls. He is an aggressive campaigner and able to give a much more vigorous image than Heflin. Also his ten years in Congress will be used as an example of Washington experience. Flower's problems are that he is from the downstate area while Heflin is from the heavily Democratic Tennessee Valley area. Flowers also has some well known personal problems which could hurt in a conservative area like Alabama. All things being considered, it is a toss up, with Flowers seen as the comer and projected winner.

The Governor's race has a crowded field but the top candidates are former Governor Albert Brewer, Lt. Governor Jim Beesley, and State Attorney Bill Baxley. The polls all show Brewer way out front, with Beesley and Baxley even.

Brewer was the Lt. Governor when Gov. Lurleen Wallace died. In a very close run off election, he was defeated by George Wallace. Brewer left office in pretty good shape and with no scandal. He is running a low key campaign and will make no personal appearances until mid-July. Brewer helped in the Carter campaign and is a good friend of mine. If the polls are any indication and with the problems the other two major candidates have, I would say that Brewer will win.

Beesley is the Lt. Governor and has incurred the wrath of the Wallace group for his constant stand against Wallace. He is also somewhat untactful and has made most of the State Senate, the Speaker of the State House, and Mrs. Jim Allen less than his friends. I would say that Beesley has problems hard to overcome. Beesley also did not help Jimmy Carter at all.

Baxley is the sleeper in the race. Baxley has been a very controversial figure, having been involved in a Los Vegas gambling episode which got a lot of press and being connected through some bank loans to a New Orleans figure of questionable character. Baxley has the liberal support of the State. He, without doubt, was Carter's chief supporter in Alabama and many of his people worked in our campaign.

Another possibility is State Senator Sid McDonald, but many things would have to change for him to become a contender. I know all these candidates and plan to keep in touch with all of them.

The Lt. Governor's race is the most crowded in the State with around 10 candidates. The front runners are State Senator George McMillan of Birmingham, State Senator Bert Banks and State Senator Bill King.

King was our Co-Chairman in Alabama and did an excellent job for us. Everyone I checked with claimed that if King got in the runoff, he would win because he is from the Tennessee Valley area where the votes are. We owe Bill King every bit of support we can give him.

Congressional races are exciting for the first time since 1964. Walter Flowers' seat appears sage for the Democrat with Flowers' former law partner, Dick Shelby, the likely winner. The Republican held seat in Montgomery may develop into a race. The Republican incumbent is Bill Dickinson. He has had a very scandalous and stormy domestic problem which has many people claiming he can be beaten. The Democrats running are State Senator Wendell Mitchell and District Assistant to Senator Sparkman, Bob Geddie. Mitchell is ahead now, but no one is counting Geddie out. If things develop in this race, we ought to pour everything available into it to beat Dickinson.

A long shot is the Mobile seat now held by Rep. Jack Edwards. State Senator Red Noonan, a former University of Alabama quarterback and a very popular man, is running against Edwards. Noonan's wife, Ruby, worked full time in the Carter campaign. Chances are slim Noonan can beat Edwards, but we should keep our eye on the race in case things change.

The attitude in Alabama toward the Administration is best explained by the attached article. The Panama Canal Treaties, et al, have gotten us into trouble but we have neglected to keep up our contacts and we need to begin before its too late!

cc: Hamilton Jordan  
Tim Kraft  
Phil Wise

# Voters' ... e With ... per ... where



(Times Photo by Tony Tricoli)

By B. J. RICHEY  
Times Washington Correspondent

When Rep. Walter Flowers made it official last week that he would run for the U.S. Senate, he had a few kind words for President Carter.

But Flowers was careful to put a little distance between himself and the president by saying that while he had worked with Carter on some issues he had also disagreed with him on others.

"There's no doubt that the president is not as popular as he was a year and a half ago," Flowers said.

"The job he is trying to do is difficult, probably much more difficult than he thought.

"However, I think President Carter is doing a better job than he is getting credit for."

WELL, CARTER ISN'T getting much credit at all in Alabama. That's the message being picked up by candidates traveling the state in search of higher offices themselves.

In fact, the feeling is that Carter's popularity in Alabama today is lower than in other states where the president has sagged tremendously in recent months.

"If the presidential election were today," said one candidate who has toured the state from the Gulf Coast to the Tennessee Valley, "he would be clobbered unless the opposition candidate was just a nothing."

Interestingly enough, the reasons for Carter's low esteem go beyond the one issue which is eating away at everyone—inflation. In fact, this critical domestic problem usually isn't mentioned first.

"The Panal Canal decision has never been accepted in Alabama," said one campaigner. "It's a raw issue for Carter here."

"People are deeply concerned about the Soviet Union," said another candidate. "And what the Soviets are doing in Africa while Carter does nothing."

"He just appears not tough enough and somehow without a grasp for what's going on."

WALTER FLOWERS, for one, is quick to acknowledge, in fairness to Carter that these issues are not simplistic.

And there is no easy solution to any of them.

But 18 months into his administration, Carter is in a box because of them.

Then there is another disturbing undercurrent about Carter which may in the long haul be more critical to the president than what voters are saying at this moment.

Carter was nominated his

party's candidate without the help of the organized Democratic Party machinery. He accomplished this by picking up people to run his state and local campaigns who had been excluded—sometimes by their own choices—from the regular party functions.

Since moving to the White House, Carter has been trying to patch up his relationship with the party functionaries across the country.

He has had party chairmen to Washington for talks—including Alabama's George Lewis Bailes of Birmingham—and not the least of the effort was to give former national party chairman Bob Strauss a key adviser's role within his administration.

But in the process, many of those "non-party" regulars who helped Carter in the beginning are being forgotten. But they aren't forgetting.

In several Southern states, there has been disappointment expressed by some of these peo-



## Dateline: Washington

RICHEY

ple. Not bitterness, just an incomprehension of why the Tim Krafts and the Jim Frees who themselves came from nowhere to high positions in the Carter White House can't seem to remember who helped their boss when the party regulars wouldn't.

IN TWO YEARS, these same presidential aides are going to start looking for help for their boss again because no matter how close Carter pulls the party machinery to him, there remains an element ready to challenge the sitting president.

And when the "non-professional" party worker is called on again, the same enthusiasm won't be found unless Carter can turn this growing disenchantment around, too.

Even in Alabama where the president is in bad shape, the feeling is that he can regain the ground he has lost between now and 1980.

So what's likely to happen is that some of these forgotten troops who aren't totally embittered will try to find an interested listener somewhere on the White House staff with enough influence to tell the president that this is a part of their act which must be cleaned up soon.

# Attorney Hopeful To Get Together

By LANE LAMBERT  
Times Staff Writer

The nine-man scramble for the attorney general's race, a closer view, seems to be signaling of a three-way race among three candidates but three forms.

Each man, of course, has an individual philosophy and a different basic statements about what should be done through the courts. They fall generally into three political backgrounds that come from.

The state legislators — Douglas Johnstone, Sen. Perry, Sen. Joe Fine — talk about the office in political terms. The former state attorneys (all of whom served under Attorney General Baxley) — Bill Stephens, McPhillips, Ray Acton — emphasize ethics and issues of a more legal nature.

The district attorneys — Charles Graddick, Bob M. Bill Benton — seem to favor crackdowns on criminal prosecution, especially on crime.

This is natural, since each to offer Alabama voters a different experience. For an office a mixture of all three, however, leaves a question of who would be the most successful.

ONE CRITICISM privately by more than one candidate is that Baxley's former district attorney, DA's eye too much on organizing — or failing to organize — directing his staff of state attorneys.

"He's one of the best prosecutors anywhere, but too much attention to the candidate said.

The legislators are worried with politicking and business which the attorney general certainly deal with. But more than private practice, even if dealt with enforcement.

The former state attorneys the other hand, have had amounts of experience day-to-day business of law but not so much of the political job carries.

Baxley was unopposed

## Widows Are Also Eligible

# Retirement Pays Some More Than

Other annual benefits include: associate Supreme Court justices, \$29,625; and their widows, \$11,850; residing judges of appeals courts, \$28,875, and their

Alabama

Grant at Tele the stat

THE WHITE HOUSE  
WASHINGTON

JUN 8 1978

Bill Williams was a fine man -- a  
credit to Hall County and to Georgia.

*Jimmy Carter*

20

*Statement re death of Bill Williams*

RECEIVED  
JUN 12 1978  
CENTRAL FILE

June 8, 1973

Dear Mr. Massey:

Thank you for your letter of May 5 to President Carter. I hope you will overlook the delay of this acknowledgment.

The President has asked me to send you the enclosed statement in response to your request concerning the memorial to the late Mr. Bill Williams.

With the President's appreciation for your interest and with his warm regards,

Sincerely,

Susan S. Clough  
Personal Assistant/Secretary  
to the President

Mr. Abit Massey  
c/o Georgia Poultry Federation, Inc.  
Post Office Box 736  
Gainesville, Georgia 30501

Enclosure: as stated

SSC/jmc/lmr

6

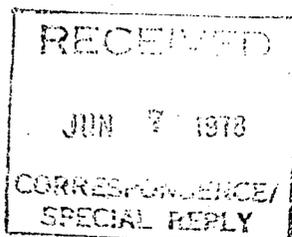
THE WHITE HOUSE  
WASHINGTON

6/6/78

jane--

this should probably be over  
my signature ~~giving~~ providing  
abit with wording furnished  
by President

thanks -- susan



THE WHITE HOUSE  
WASHINGTON

*page*  
jane--

president's note indicated  
that he changed his mind  
and authorized his wording  
to be used as appears on  
incoming letter from abit.

thanks -- susan

THE WHITE HOUSE  
WASHINGTON

are you interested in  
making exception to "policy"?



# Georgia Poultry Federation, inc.

P. O. BOX 763 / GAINESVILLE, GEORGIA 30501 / 404-532-0473

*Jmc*

May 5, 1978

Hon. Jimmy Carter  
The President  
The White House  
Washington, D. C.

Dear Mr. President:

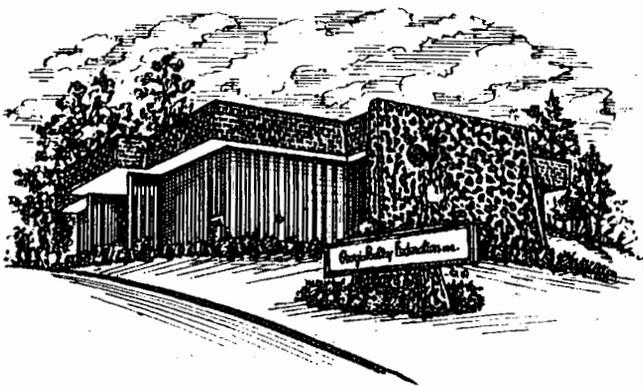
The Hall County Commissioners appointed four of us to a committee to prepare an appropriate memorial to Bill Williams. I would appreciate it if you would let us use a statement or comments from you particularly on his legislative service and its impact on the City of Gainesville and Hall County.

Sincerely yours,

Abit Massey

*Regrets - nice*

*You can say -  
"A fine man - a  
credit to Hall County  
and to Georgia"*



THE WHITE HOUSE

WASHINGTON

June 8, 1978

Dear Mr. Mann:

I am sorry that your letter and enclosure of December 14, 1977, have not been acknowledged before now. Actually, correspondence sent to the President in Plains takes longer to reach him than correspondence addressed to the White House.

The President was pleased to add your bottle to his collection, and he has asked me to send you the enclosed arrowhead.

With the President's appreciation for your kind interest and with his best wishes,

Sincerely,



Susan S. Clough  
Personal Assistant/Secretary  
to the President

Mr. Rolland M. Mann  
203 Garfield Street  
Rolfe, IA 50581

Enclosure

*(It also took a while to actually get the arrowhead from the President's house in Plains to Washington!)*

THE WHITE HOUSE  
WASHINGTON

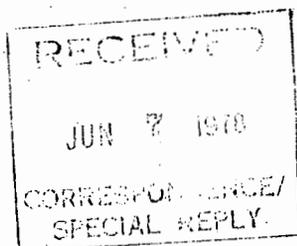
6/6/78

jane--

please have someone draft  
letter over my signature to  
mr. mann, sending arrowhead...  
and apologizing for delay  
(part of which was having getting  
the-President-bring the  
arrowhead from Plains--which  
you may want to let him know)

thanks -- susan

(would sort of like you  
you to oversee this one,  
if you don't mind...thanks)



*Susan  
see me  
J*

Holfe, Iowa  
14 December 1977

Mr. President  
The White House  
Washington 25, D.C.

Sir:

I read in the Fort Dodge Messenger; Fort Dodge Iowa, of your extensive old bottle and arrow head collection. The enclosed bottle was found between the walls in the home where I now reside. In 1980 the house, which was previously an old hotel, will be 100 years old. I would like very much for you to have this old bottle. Being somewhat of a horse trader, I would like to trade for an arrow head suitable to make a bolo necktie.

I am a committee man of Clinton Township, Pocahantas County Iowa. I have been active in county politics, but have been somewhat hampered because I am State employed by State Liquor Commission and they frown upon indulging in any of these activities. For the last election I was platform committee chairman of Democratic Party in Pocahantas County.

In any event I would like to convey Seasons Greetings to You and Yours.

Your Obediant Servant,

*Rolland M. Mann*

Rolland M. Mann  
203 Garfield St.  
Rolfe, Iowa  
50581