

THE **ORAL** HISTORY PROJECT
OF MR. PAUL BOLTON (recordings made in April, 1968)

PB: This is March 21, 1968, we are in the office of Mr. Sim Gideon, W. S. Gideon, (that's right) the General Manager of the Lower Colorado River Authority, more familiarly known as the LCRA here in Texas. President Johnson had a great deal to do with the LCRA and with the related rural electrification systems made possible by the LCRA and our purpose in visiting Mr. Gideon this morning is to talk about the early troubled days in the formation of the LCRA as well as the part which Mr. Johnson played in that development.

First of all, Mr. Gideon, tell us something about yourself.

SG: Well, I don't know how far back you want to go, but I am a graduate of The University of Texas Law School, 1929, and then I practiced law one year in San Antonio, and then I moved to Seguin, Texas, where I went to work for a State Senator named Alvin J. Wirtz, and he had as a partner Rudolph Weinert, who later became State Senator and who at that time was District Attorney. I lived in Seguin for four years practicing with the firm of Wirtz and Weinert, and that was my first acquaintance with Lyndon Johnson. He at that time, I believe, was secretary to Congressman Kleberg of Corpus Christi and the Congressman represented Guadalupe County and naturally he would come into the office there at Seguin to visit with Mr. Wirtz because he was involved in State politics. Then after living in Seguin four years, when Senator Wirtz moved to Austin, I moved with him in 1934 and became associated with the law firm of Powell, Wirtz, Rauhut, and Gideon.

PB. Just there, before you leave Seguin, you say that you knew Johnson as a young Congressional secretary. You were about the same age, then, were you not?

SG: I believe I am a little older than President Johnson. I am 62, and I believe he is a few years younger than that.

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PB: At any rate, you were a partner with Senator Wirtz. I do believe it is true that Senator Wirtz had a great deal of influence upon this young Congressman; is that your impression?

SG: I would think so. Senator Wirtz had a great deal of influence on anybody he came in contact with that he was fond of and worked with. Among his friends were, the President, Homer Thornberry...

PB: Judge Thornberry?

SG: That's the Judge Thornberry who's now on the U.S. Circuit Court of Appeals. He worked in our law firm. Another close friend was Welley Hopkins who was Senator from that district from Gonzales after Senator Wirtz. Hopkins was a very close friend of Wirtz's and Hopkins later became General Counsel for the United Mine Workers. There were many other people through the years. As I was saying, I think he had a lot of influence on the President during the time that he was associated with him because he did have a great deal of influence, I think, on anyone he came in contact with. He was a remarkable man.

PB: What sort of a man was he -- what did he look like?

SG: Well, I thought he was a very nice looking man. He kept his weight real well, dark complected with curly hair. He talked rather slowly but thought real fast, and I never saw anyone who could grasp a situation quite as quickly, and explain it quite as clearly as he could, and particularly intricate legal matters and also political matters and just ordinary matters. He had a mind that went right to the heart of it quickly and saw what the problem was and also had an answer. It is hard for me to describe him because I was so close to him for some 18 to 20 years.

A lot of people say that I talk like him and walk like him and even got where my weight looked a little like his.

PB: That would come naturally, of course. In terms of his political leanings, I

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am sure that because of a long close association with Mr. Johnson that his political outlook would have some influence. Could you summarize what his politics were, what his general beliefs were?

SG: Well, it is hard to summarize. He believed pretty much like Franklin Delano Roosevelt, he was a great follower of his. He felt like the strength of America was in the people and that the only problem was to get the people to understand what was before the nation and that the answer they would then give would be a proper answer. While he was a Democrat, I think that he believed that the Government should exist for the benefit of the people, not the people exist for the benefit of the Government. Regardless of who those people might be or what their beliefs were or anything else. The main thing in the world were the people who occupied it and they ought to have an opportunity to have a decent life during the time that they are in this world and that the Government ought to help them do it.

PB: In that period there Senator Wirtz served for a time as Undersecretary of the Interior. Do you recall when that was?

SG: Yes, I know exactly, on account of that was when I officially became the general counsel for the LCRA when he left to become Undersecretary of the Interior -- that would be January 1940. Now, how long he stayed, I do not know. I visited up there quite often and I know it was not too long a period of time from a standpoint of years. I would have to look it up.

PB: That's beside the point. It was only a point that I did want to clear up and we can do that later. Now we are going to talk mainly about the LCRA, and first of all, what is the LCRA?

SG: The LCRA is a State District created by the Legislature of Texas. It was created primarily to give people jobs during the depression. There was a half

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finished dam on the Colorado River and there were lots of people without jobs, and they needed work, and we needed something here in Central Texas to give people work and also by developing the LCRA the waters of the Colorado River could be utilized and floods could be prevented, and people had been working on that for many many years and Senator Wirtz had been associated with a lot of those people for many, many years although he lived on the Guadalupe River when he lived in Seguin, he was born and raised on the Colorado River down around Eagle Lake, I believe. Columbus, he lived there.

PB: To get back to something of a more basic definition. The LCRA consists of a series of man-created dams along the Colorado River.

SG: Yes, technically LCRA was created under the Constitution of Texas by the Legislature. It is run by a Board of Directors named by the Governor and they select a manager. The LCRA Act arbitrarily defines the district as the ten counties beginning where the waters of the upper reservoir ended and coming down the Colorado River to the Gulf and then the Legislature told LCRA to go out and build dams, and control the river and utilize the waters and authorized them to get into the electric business but did not give them any money and said they couldn't levy any taxes and couldn't mortgage their property so the only thing they could do would be to issue revenue bonds and the only place you could sell revenue bonds at that time was to the Federal Government, to the PUBLIC WORKS ADMINISTRATION because nobody else had any money at that time.

PB: When was this district created? What year?

SG: It was finally created in 1934 -- it had some legislative history and I believe at the fourth called session of the Legislature in 1934 it finally passed.

PB: Do you recall who was Governor at that time?

SG: I believe Ferguson was Governor.

PG: And that was prior to the Congressional tenure of Mr. Johnson?

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SG: Yes, at that time Congressman Buchanan was the Congressman for this district -- he lived in Brenham, and that was before Mr. Johnson, as I recall, ran for Congress in 1936.

PB: 1937. I believe he was NYA director prior to running for Congress.

SG: 1937, that's right, 1937.

PB: Now, I recall that it was not without great difficulties that the district was established and maintained. In other words there were attempts to destroy the district after it was established. Is my memory correct on that? What is that early history?

SG: Well, it is pretty complicated so to speak and a lot of politics in it. The organization of the district was opposed by, I would say primarily the private electric utilities because they did not want any competition of that type. They felt like it was government going into the electric business and I think there was also a feeling that was expressed that perhaps a Mr. Ralph Morrison who had put up some money to help develop some studies to try to get the work going again on the dams, which were then in the hands of a receiver, that maybe he was going to profit off of it and some opposed LCRA because Morrison was a friend of and a contributor to Franklin Delano Roosevelt and some of the people in Texas were violently opposed to Roosevelt, and therefore they were violently opposed to anybody who was for Roosevelt.

PB: Now, you spoke of a receiver and the conflict that arose over the receivership. That was a receiver for the private interests?

SG: Yes, the Insuls had started building a dam. They called it Hamilton Dam. We now call it Buchanan Dam. And they had gone broke, and their company had gone into receivership in Chicago. Now they had this Texas Company. They would organize a company for each project so to speak, and they had a Texas Company called, I believe, the Central Texas Hydro Development Corporation or something

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like that and Senator Wirtz was appointed receiver of that company by Judge McMillan over in San Antonio, a federal judge. Senator Wirtz as the receiver was trying to revitalize and bring back to life the development on the Colorado River. He had represented the original private developers on the Colorado River because I expect at that time he was recognized as about the outstanding water lawyer in the State of Texas and at that time there weren't too many people who practiced water law, so to speak, and he had had a lot of experience in it as well as other associations with people who were doing that development and the receivership resulted by the virtue of the Insul's empire falling down.

PB: Then in an attempt to revitalize this entire project of an unfinished dam high up on the Colorado River near Burnet, Senator Wirtz probably conceived the idea of the LCRA, did he not?

SG: Yes, I think that he was the father of the idea. He was a man of great ability and whenever there was a problem and if one thing wouldn't be the answer he would stay with it until he found an answer; and in this particular way, as I say, in order to borrow money back in the depression days you had to be a public entity, so to speak, and borrow money from the Federal Government. He, therefore, conceived the idea of creating a public entity on the Colorado River and have it borrow money from the PWA (Public Works Administration). Just like cities and counties were borrowing from the Federal Government at that time to build city halls, municipal buildings, county buildings, and things like that.

PB: Recalling the Legislative battle over creating the LCRA district, I seem to recall that some people who are now prominent in public life you might say, like Judge Sarah Hughes was one of the --

SG: My memory of that, -- I've gone back and read some of the things. Senator Wirtz handled all of that before the Legislature. I was working down in the office....

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I was working down in the office. I would hear about it. Sarah Hughes at that time was a member of the House of Representatives from Dallas and, of course, some people thought that she was friendly to the private utilities. Let me say that as far as the private utilities are concerned, the LCRA had their battles with them but they were settled and for the last 20-25 years there has been remarkable cooperation between them and the LCRA and really, but for them, the LCRA couldn't have grown like it has, but be that as it may, Sarah Hughes attacked the LCRA bill on the floor of the House -- the main thrust of her attack was against Mr. Morrison, the Ralph Morrison who at that time was the owner of the St. Anthony Hotel over in San Antonio, and she pointed out, he was a big contributor to the Democratic fund when Roosevelt was elected President -- I don't recall all those details.

PB: Well, I'm a little confused right here myself. It was my impression that Mrs. Hughes was in favor of establishing the District.

SG: No, she was against it.

PB: She was against it, she was one of the opponents?

SG: She was one of the opponents and according to my memory Senator Van Zandt, I believe, who was blind ----

PB: Senator Van Zandt?

SG: Senator Van Zandt was on the Conference Committee and was about to sign the Conference Report after it had passed the Senate and a few corrections and amendments had been made, and she grabbed the pen, the way I heard it, and walked out and said "Let's don't sign it," and the Legislature ended about an hour after that so that ended it for that session and took it on to the Fourth Session. Now I don't know whether that's so or not. That's what I heard.

PB: I'm sure that you were very close to it and would have known. In any event, a Fourth Session of the Legislature was called. It had been fought through how many sessions, up to then?

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SG: I think it had been in all of them up to then. I think this was about -- well at least -- I'd have to check on it, but I am sure this was the third or fourth attempt to pass it. They usually had no problem in passing it in the Senate. And there was quite an argument in the House over whether or not -- the people of West Texas were worried that if this dam was built it would be a -- it would forever preclude them from making any developments out on the Colorado River in West Texas should they need the water for municipal purposes, and the Act was amended in order to take care of that fear -- and that was one of the backgrounds of the -- I mean one of the basis of the fight that was made in the Legislature.

PB: Well now, the Fourth Session of the Legislature followed, and it was enacted at the Fourth Session?

SG: That's right.

PB: And then the District was established and went into operation as a State water conservation and water district?

SG: That's right. Flood control, water conservation, and also the generation of hydro-power.

PB: That was one of the big fights?

SG: In other words, the hydro-power was the big fight.

PB: The big fight, yes.

SG: Part of the background of that was that Insul had made the private utilities I believe it was Central Power and Light, and maybe West Texas Utilities Company, I'm not sure, agree to buy the power that was generated at Buchanan and they didn't think that they needed it or that they ought to have to build transmission lines all the way down there to pick it up, and so, they were anxious not to have to fulfill those contracts and they got out of those. They didn't want to have a State agency try to compell them to do something they didn't want to do.

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PB: I'd forgotten that incident, too. In any event, the district did go to work and on that original board, I believe there were some people who have since been prominent in politics -- was the present U.S. Senator Yarbrough, I believe --

SG: Yes, Senator Ralph Yarbrough was on the board and we've had other people on the Board who became prominent in politics -- Governor Connally served on the Board for a while. So we've been very fortunate in having people on the Board who have had statewide and nationwide interests and who could help us when we needed help.

PB: O.K. Now we have the District established and the dam, the Hamilton Dam is unfinished. Now what was the next step?

SG: Well, the next step was for the District to acquire the facilities that were then in receivership -- the matter was in receivership and Mr. Morrison had organized the, I believe it was, Colorado River Company and they had bought from the receiver these properties and the District had to work out borrowing some money, buying the properties, paying the creditors of the Old Central Texas Hydro Development Company, Fegels Construction Company, and Fargo Engineering Company were the big creditors. So they went to Washington and worked with Congressman Mansfield, and Congressman Buchanan helped them finally work out a loan from PWA whereby they could get started.

PB: PWA was Public Works Administration, and Mr. Insul that you referred to a few times was a leading utility -- they called them magnates, I believe, back in those days.

SG: Yes. He and I believe it was one or two brothers operated out of, primarily out of Chicago. They utilized the holding company and sort of -- as far as I know, were the first ones that had really utilized it in the electric utility business and they just built up a pyramid and finally when it started falling, why it all fell.

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PB: um-um. O.K. Now, you've borrowed the money from the PWA -- that is the LCRA had borrowed the money from PWA --

SG: That's right.

PB: to pay off the creditors and to complete the Hamilton Dam.

SG: LCRA was going to complete the Hamilton Dam and under the agreement there was another dam to be built that's now called, that was named Inks Dam for a Director of the Authority, who became ill on one of the trips of the Authority, I believe to Washington, and died -- Roy Inks out of Llano, and then they were going to also help in building what is now Mansfield or Marshall Ford Dam. The three dams on the Colorado River. Marshall Ford Dam started out as a small dam but ended up as a flood control dam. I guess we'll get to that.

PB: Well it is somewhat complicated as I said before.

SG: Yes, it is.

PB: Now then, the Hamilton Dam was renamed for

SG: For Congressman Buchanan from Brenham who had helped and was interested in it; although he was from Brenham a lot of his district was on the Colorado River and since 1900 people on the Colorado River through committees had been working in Congress -- through the Congressmen trying to get help to develop the Colorado River so it wasn't something that just came up when -- on account of this one dam, it was a matter that Buchanan had been working on ever since he had been Congressman.

PB: Well, as a matter of fact the city of Austin had tried to build dams ...

SG: The city of Austin had built a dam, in fact, two dams primarily to -- in the beginning you know, to furnish electric power to run the trolley. But the engineers at that time did not take into consideration the tremendous amount of flood waters that came down the river and in building a dam they built it sort of like maybe I would have, just straight up and down without taking into con-

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sideration what would happen if the water went over the top.

PB: There is one thing that I believe we have neglected. The tremendous damages that have been done along the Colorado River by floods.

SG: Yes, floods on the Colorado River had been causing damages in the millions of dollars, and people lost their lives due to drowning. It has been something that the people below Austin and in Austin all the way to the coast have worked on for since, oh, I'd say since around 1900, and I am sure probably prior to that, but I do know that they have worked on trying to control those floods since then and the Colorado River would practically dry up at times and then it would have as much as 4 or 5 hundred thousand cubic feet per second which is a tremendous amount of water and people would drown, and it destroyed millions of dollars worth of property and those floods, sometimes you would have one or two floods in one year and then it would go four or five years without any and then you would have it again.

PB: And now, Mr. Gideon, to get along with our history of the development of the system on the Colorado River, the Buchanan, the Hamilton Dam, do you recall the date that it was completed?

SG: No, I don't. I'd have to look up those dates. I believe it was in '38 -- '37 or '38. I know Marshall Ford Dam was completed in 1941 and the Austin Dam along about 1941 or 1942.

PB: That's near enough. You say that Buchanan was around '37 --

SG: '37, I believe.

PB: '37 or '38 and in '37 Congressman Buchanan died and a special election was held and Mr. Johnson was elected to be Congressman from this District to succeed Buchanan.

SG: Yes, he, at that time, Congressman Johnson lived right across the street from us on Happy Hollow Lane here in Austin. I lived at No. 1 Happy Hollow Lane, and

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he lived at No. 2 Happy Hollow Lane. And we had a sort of a problem, I mean I had a problem in that a man who owned the houses in which we lived was Dr. Brownlee and Dr. Brownlee's brother was one of the men running for Congress against Congressman Johnson. And so, ... it was just one of those little incidents ... but we were for Johnson, of course, because of a long friendship dating back to the time in Seguin and because Senator Wirtz who helped raise me was for Johnson and thought Johnson was the best man.

PB: Now, in that race for Congress, the only issue that others have told me about was the Court packing issue. I don't know whether you were interested in politics as such at that time, but did the LCRA come into that race in any way?

SG: I don't know that it was in there, if it was I don't recall too much about the race except that in those days you had rallies all over the county and the district and every other place and we went to them, and would yell, blow the horn, but I do recall Senator Wirtz talking to the candidate at that time, Lyndon Johnson, and telling him that what he ought to do is come out for Franklin Roosevelt. And that the people in this district believed in Roosevelt, and that he ought to just be for the President, and I don't recall too much of the politics, but I do know that that was one of the main pieces of advice given.

PB: Now then, to pick up the story of the LCRA. You are going to have to refresh my memory in asking these questions too, because my memory also is going back on me. In any event, along in there there was a tremendous flood on the Colorado River after one of the dams had been completed. Do you recall about that flood?

SG: Yes, I have a recollection about the flood. I'd have to ... I've reviewed some of the correspondence on it, but it was in 1938, I believe. At that time Buchanan had been finished, but Marshall Ford Dam had not, and Buchanan was built

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not as a flood control dam, but people had the idea that it would control floods. Actually, it wasn't constructed so as to control floods. It would lessen them a little bit but not ... a big flood it didn't materially lessen, a small flood it could stop. This was a big flood. This was one of those big ones that originated out in West Texas, not so much rain, I don't believe, below Austin, but in an endeavor to help control the flood they let water out of Buchanan and, of course, that was clear water and when it got below Austin and all this other water coming in on top of it you had clear water out in the fields and a lot of people felt like this is what they call a man-made flood. And that it was made by the people releasing water from Buchanan Dam.

PB: In other words, the LCRA was releasing water at that time in order to take care of the water coming down stream.

SG: That was the idea -- they knew there was more water coming down into Buchanan than they could handle. I mean there wasn't enough space in the lake to take care of it and so they just opened the flood gates before the water got there which is good practice and there was so much water coming down that there was a big flood. And as it developed, if Buchanan Lake had been completely empty, the water was still enough to fill the lake and still cause a flood. It was a big flood.

PB: There were Legislative repercussions from that flood, were there not?

SG: Yes, there was an investigation of whether or not it was a man-made flood and, I believe, the Senate had a standing committee at that time and they investigated it, and made a report and, I believe, after it was all over the report of the Committee was that the LCRA Buchanan Dam had not caused the flood but to some extent, maybe, had lessened the height of it by 6" to a foot, but that wasn't very much when you consider that the flood was maybe 30 or 40 feet. But

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as a result of that investigation everybody went to work, so to speak, to get Marshall Ford Dam ... the height of it raised and flood control facilities put into the dam. You know, the only way you can have a large amount of flood control is if you have empty space into which to put the flood. And, of course, if you build dams and in order to pay for them you have to issue revenue bonds then you have to tell the people who buy those bonds where the revenue is going to come from. So on Hamilton Dam and Inks Dam LCRA had promised to run them for hydro-electric power and sell the power in order to pay for the dams. And in working on Marshall Ford Dam they got the Federal Government eventually to and Congressman Mansfield helped tremendously there, he was from Columbus, in getting height added, and it was agreed that about one-half the capacity of the lake would always be reserved for flood control but that was ... took quite a fight, by fight I mean lots of endeavor, work, and political maneuvering and everything else and in that Congressman Johnson was very helpful and very interested because he felt like that flood control was a vital factor for the city of Austin which was the biggest city in his district and for the area below Austin, and he certainly worked with all the people on that and in the investigation, I believe, he had one of the engineers from PWA sent down to Austin -- he was helpful in getting studies made on it.

PB: Do you recall anything else specifically that Johnson did in those, in that ...

SG: Well, nothing except that he stayed in touch with the investigation. He was, as I say, I think, instrumental in sending people from Washington to help study it, the engineers to see whether or not the Authority was at fault, he was interested in knowing whether or not the Authority was at fault, the LCRA. Whether or not it was a man-made flood. If it was, he wanted to be sure that it never did reoccur and because he represented the District, he wanted to see it was pro-

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tected. But he also was interested from the flood control standpoint because he knew that the dams LCRA then had were not build for flood control. He realized that.

PB: So then the next big step in the development of the District was Mansfield or Marshall Ford Dam.

SG: To change it from just an ordinary what we call run-of-the-river dam, like, say, Tom Miller Dam is. Just to make electricity from water that's turned loose up at Buchanan. To change it from that into a dual purpose dam that makes electricity, conserves water for use when it is dry, but also is flood control. In Mansfield dam half up the capacity is dedicated to flood control and whenever water gets above a certain height why it is devoted entirely to flood control and we have to let the water...we turn it loose 24 hours a day to the extent that the banks of the River will hold it until we get it back down to where the flood control level starts.

PB: All right, now you added to the height of the Mansfield Dam. While this work was going on, while this construction was going on, were there any further floods on the River?

SG: Yes, I think there were, I don't recall any particular one that caused any great comment like the one in 1938. But, I believe, I know there was a flood there while the people were out there, that might have been the 1938 flood while the contractors were out there with all their equipment, but I don't recall any big floods that caused a lot of controversy like the one in '38.

PB: No major damage down stream?

SG: I don't believe so.

PB: Then there has been no flood on the Colorado River since the completion of Marshall Ford, I mean no

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SG: There has been no flood below Austin since Marshall Ford (Mansfield) was completed where the flood originated above Austin. We have still had some floods where you've had big rains below Austin as much as 10 or 12 inches below Austin. We cut off the water coming out of the lakes and you will still have some flooding down below, but we haven't had any floods below Austin where the water originated above Austin although in 1952, for example, we had rains of 20 to 24 inches in 24 hours and Lake Travis went up as high as 30 or 40 feet in a short span of hours, and if it hadn't been for Mansfield Dam, the water here in Austin would have been over the Congress Avenue bridge. But people in Austin didn't even know there was a flood because we caught it all in Lake Travis.

PB: Lake Travis is the one behind...

SG: That's the one behind Marshall Ford or Mansfield Dam. Yes. And at that time it was low and it didn't even get up to the flood control level, we caught around 400 thousand acre feet of water and if all of that had had to pass Austin it would have passed in a 24 hour period it would have been a highly destructive flood. Then in 1957 we had about five or six floods in two months time. Each one a separate flood. And at that time there was not any flood damage below Austin although we kept the river full all the way from Austin to the Gulf for about four months in draining the water out of, again, the flood control part of Lake Travis. It got up then to where it had about seven or eight hundred thousand acre feet of water in our flood control area, and we would run the water out 24 hours a day to the extent that the banks would hold it.

PB: You spoke awhile back of the method of financing the dams on the Colorado in terms of issuing revenue bonds which were sold to the Federal Government. This is the concept that perhaps is not too thoroughly understood; I am sure that I don't

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understand it. Are you saying that the LCRA is paying back all of the money that was put into the dams?

SG: Well, that was done under the Public Works Administration in order to create jobs and get people working. The Public Works Administration would make you a loan and it would also make what is known as a grant. Now you do not have to pay back the grant. The grant would vary from 25 to 30 per cent of your loan somewhere in there and the reason for the making of the grant was that you agreed to pay a certain amount of money for wages. You could have gotten people for much less than that but then you would have had more or less a revolution, so to speak, on getting jobs. LCRA had people lined up applying for jobs. They didn't ask how much they would be paid, they just said "will you put me to work?" and they came in here all the way from New Jersey and Minnesota when they found out there were jobs available down here. So what LCRA did, it borrowed the money on a loan and grant basis. The money that's on the loan basis LCRA paid back at 4 per cent. The grant basis LCRA did not have to pay back. Then on Marshall Ford Dam the part that is devoted to flood control was paid for by the Federal Government. We bought, when I say we, I'm talking about LCRA, the LCRA people bought all the land and bought all of the electric equipment that went into the dam and in addition to that ... of the 28 million dollars total cost, the LCRA had to pay back the Federal Government something over 5 million dollars. Now, in order to finance and sell bonds to anybody other than the Federal Government, LCRA had to have a market for the electric power because that was the only thing LCRA had to sell. There were some negotiations between the LCRA and Texas Power and Light Company who owned the electric facilities in this area at that time except the City of Austin, who owned their own, and the City of Georgetown, who owned their own. And also negotiations between LCRA and the Central

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Power and Light Company who owned some of the facilities; and as a result of, to some extent, the old holding company act that was passed during the Roosevelt Administration, some of those companies had to get rid of some of the electric facilities; and I'm probably getting too involved, by getting rid of electric facilities what I mean is under the Holding Company Act the holding company couldn't hold control over a company unless their lines were connected to another company that was owned by the holding company, and if there was not any connection there had to be a sale. But anyway, in the area which could be served by the Authority there were considerable negotiations all of which were handled by Senator Wirtz; and Congressman Johnson, I know, was very helpful in those in that they would advise with each other and talk the matter over, and the Congressman was interested in it from the standpoint of LCRA getting the rural lines so that a program for rural electric cooperatives would be developed in this area because at that time there were not very many people out on the farms and ranches of Central Texas who had electric power. And I recall going with him when he was running for Congress to a little place way out, I say way out, I guess it wasn't over 10 or 12 miles out, and he made a speech at a little school house and he told the people that if they would elect him to Congress he would see that they got electric lights, and I thought at that time just how far would a man go in order to get a vote because I just didn't think they'd bring lights out 10 or 15 miles, but sure enough, they got it and they have lights all over the area now. The Congressman, I understood, had talked to the President, at that time President Roosevelt, and the Congressman had talked to the REA administrator and they had told him there just were not enough people down in Texas per mile to justify an REA loan, and he was trying to justify a loan by getting as many customers as he could and he helped the LCRA in those negotiations and they

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did finally work out where the LCRA purchased from Texas Power and Light in 1939, I believe it was, an area where the LCRA would serve, and then the LCRA sold the rural lines simultaneously with the purchase to the cooperatives and offered to sell all the municipalities in there, offered to sell the municipal systems to the cities, and LCRA would go in the wholesale business and then LCRA made a similar deal with Central Power and Light about a year or two later. I recall at that time LCRA borrowed the money in order to pay Texas Power and Light from PWA and Senator Wirtz had the help and advice of the Congressman. We'd go up to Washington and just as a sidelight on that, at that time Arthur Goldsmith from San Antonio, Texas, who is now the Ambassador not to the United Nations, but representing the United States at the United States Embassy which is right across the street from the United Nations, was working for the Bureau of the Interior and Abe Fortas, who is now on the Supreme Court was, I believe, over in the Interior Department, and we would ... Congressman Johnson, Senator Wirtz, and I was fortunate enough to be tagging along, would visit with those two people whose ideas were brilliant. They were very active and helpful, and when we finally borrowed the money, I recall we met over in the Federal Reserve Bank in San Antonio, Senator Wirtz was up in Washington and got the loan approved and in those days, you know, you rode the train, you didn't fly by plane, he didn't have time to wire us before he got on the train, and we were waiting in San Antonio to get a wire at the Federal Reserve Bank saying LCRA could borrow this 4 million dollars to pay the Texas Power and Light and these cities could buy all the municipal systems, and so they sent a telegram to us from the train but they couldn't pay for the telegram, it had to be one of those telegrams, you know, that they caught on the station hook as they went by, and we were all sitting there and the telegram came

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in and the manager of the Federal Reserve started reading the telegram and then he folded it up and said, "Why, Mr. Gideon, this telegram is collect. Nobody sends a collect telegram to the Federal Reserve Bank!" So, I had to pay \$2.35 before he would read the telegram saying it was all right to let us have several million dollars.

PB: Now, just to summarize for a minute, that was to buy what from the Central Power and Light?

SG: Texas Power and Light Company. It was to buy all the electric facilities in about a 15 or 20 county area beginning up around San Saba and extending down through Burnet and Llano and over into Williamson County, but it did not include all of Williamson County, but it included Bastrop County, Lee County, Washington County, and part of... well I can't recall all the counties. Oh, it included, of course, Hays County, Caldwell County -- part of Caldwell County.

PB: Well now, Texas Power and Light was already serving those counties?

SG: That's right.

PB: But they were not serving the rural ...

SG: Oh yes. But they didn't have in those days, you know, the private utilities did not build rural lines very much. If you wanted a line out to your farm or ranch you paid for the line, and then they would serve you, but they had some lines, they had transmission lines but they didn't have too many distribution lines in the rural area.

PB: Oh, I see, there's a difference there between the transmission lines and the distribution ...

SG: Oh yes. They had transmission lines all over the area. Transmission lines are the big lines -- the "wholesale" lines so to speak, and distribution lines are the small lines -- "retail" lines. LCRA bought all their transmission and distribution lines.

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PB: I see. And the cost was around 4 million dollars?

SG: I'd have to look it up. When I say 4 million, it may be that I'm sure part of that was for construction on some of the dams and rehabilitating the lines and all like that. I forget the exact cost that we paid, but it was several million dollars.

PB: Well, I'd like to come back to those REA installations in a moment, but awhile back you mentioned a figure of \$28 million, I believe it was, which you said you got for

SG: I believe that's the ... roughly the cost of Mansfield ...

PB: Of Mansfield Dam?

SG:of which the electric part was determined by the ... Secretary Ickes, as being a little above \$5 million, I believe, and the rest of it is flood control.

PB: Yes. Now, I wanted to make it clear that that was for the dam. Is there such a thing as an overall figure on what the LCRA system has cost?

SG: Yes. We can....I mean I have the figures on what each dam cost. The LCRA system, of course, when you get into the electrical end has cost \$100 million or more, a lot of it out of the revenues. LCRA had issued a considerable amount of bonds at times, and in 1942, I believe it was, private investors came to LCRA and said if LCRA could get its bonds back from the Government, they would loan LCRA money in the competitive market in New York at less than four per cent. And at that time, you know, the PWA in order to get money, they would loan you the money and then they would sell their bonds to RFC -- Reconstruction Finance Corporation -- so representatives of LCRA went up to RFC, to see Jesse Jones, who was the Administrator at that time, and offered to pay him for the LCRA bonds, and I still remember ... two of the Directors and myself were in there, in his office, and he offered us a Coca Cola or anything any stronger that we might want, and we needed

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something stronger because in the course of conversation he said, "Well, the good has to help pay for the bad, and your project is such a good project so we'll let you have your bonds back, but you have to pay a 5 per cent penalty to get them." So LCRA paid the 5 per cent penalty which was about a million dollars more than LCRA had borrowed in order to get the bonds back and then sold them to private people at a lower interest cost where LCRA still made money, but getting back to the costs....Buchanan Dam cost roughly \$11 million; Inks Dam, \$2 million; Wirtz Dam which was built in 1949, around \$10 million; Starcke Dam which was built in 1949, around \$7 million

PB: Just there, I think you should explain who Starcke was.

SG: All right, but you want me to finish ...

PB: Yes.

SG: Mansfield, \$28 million; and then Tom Miller Dam, around \$4 million. Now Starcke was a

PB: Max Starcke.

SG: The Authority has had three general managers. One was Clarence McDonald, he was the first one and he was an outstanding engineer from New York and Washington. He was interested in building the dams and getting the Authority started from a construction standpoint. Max Starcke had been mayor of Seguin and President of the Texas League of Municipalities. Seguin had their own electric generation and distribution system, and he was selected as sort of an operating manager in 1938 and went to all the ... when the cities were determining whether or not they wanted to go with the LCRA and buy electric power from LCRA they had municipal elections all over the District, and the results of those elections were instrumental in TP and L selling because those cities that were later sold had all voted that they were going to build a competing system to that of TP and L and buy power

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from LCRA and had filed applications with PWA to get loans and Max Starcke had represented the Authority in meetings all over the area where they would have local meetings sort of like Town Hall meetings in which local people would just get up and argue it out, and then he later, when McDonald left, after the construction on Marshall Ford was finished, why he became the General Manager and stayed as General Manager from 1942, I believe it was, until 1956, when he retired and I became the General Manager.

PB: Prior to being General Manager, you were the General Counsel for

SG: I was General Counsel, yes, and prior to that when I was in Seguin, Max Starcke was mayor, and I was the City Attorney.

PB: Oh, is that right?

SG: That was the only job I ever ran for politically where I had to make a race. No one opposed me, and my wife and I were so nervous over whether or not I was going to get elected that we decided we never would enter into politics any more where a race was involved.

PB: Well, you haven't been involved in a race, but you have been involved in politics ever

SG: Well, I find that anything you do after you are grown, why, politics are involved.

PB: I think that's a wise observation. Now, I want to get back to the REA, the Rural Electric Cooperatives. There are two in this district, the first was the Pedernales?

SG: The Pedernales Electric Cooperative and the other one is now called Bluebonnet Electric Cooperative. At first it was called Lower Colorado River Electric Cooperative and everybody got confused as to whether the LCRA owned it and so they finally changed their name to Bluebonnet. Bluebonnet is headquartered in Giddings and covers the area from Travis County, part of Williamson County on down

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as far as Caldwell, I mean the City of Caldwell, Burleson County, Washington County. The Pedernales is headquartered at Johnson City and includes the rural areas in Lampasas, Blanco, Burnet, Williamson Counties, and parts of Travis, Hays and Llano Counties; and used to include what is now the Central Texas Electric Cooperative which is at Fredricksburg.

PB: Now, Mr. Gideon, to go back to the formation of the rural electric cooperatives, I think we had started to do that when we had to change our role of tape here. Are you familiar with the part that Johnson played? You spoke a while ago of a campaign speech that you heard him make in which you thought that he was making wild promises to the people about getting those lines put in. How familiar are you with the part he played in getting the let's start with the Pedernales. It was the first one, was it not? The Pedernales Rural Electric Coop?

SG: I don't know which one was formed first. I think probably about the same time because he was trying to take care of his entire District, and then with the purchase of TP & L propertiesthe properties were in this Congressional District, I mean both in the Pedernales area, what's now the Pedernales area and what is now the Bluebonnet or the old Lower Colorado River Electric Cooperative area. I was the attorney at that time, I was not attorney for the Authority although I was in the law firm representing the Authority, but I was the attorney for the Lower Colorado River Electric Coop, and drew the papers and got them incorporated and the Board met at my house, out at No. 1 Happy Hollow Lane, but I was not too intimately connected with the Pedernales Coop, except just knowing that it was organized and who was there and they all had problems, of course, in the beginning of trying to get people to believe that they could get electricity and get them to sign up and then a lot of people didn't want electricity. They just said they had gotten along very well out on the farm without electricity, and

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they didn't want electricity. Of course, it's changed considerably once they found out what it was and what it would do, but Johnson.....the Congressman at that time, Congressman Johnson was.....just felt like that it had to be, it had to come in order to bring to the people on the farms and ranches the benefits that he knew this electricity would bring and he evidently foresaw the day where people were leaving the farms and ranches and you had to have somebody there to do the work and it either had to be done by man or it had to be done by electric power. And also he'd grown up and seen people deprived of these benefits, or never had the benefit of refrigeration when you're trying to have fresh milk and butter and where you did all your washing by hand, I've done that, too, washed. We put out a washing in my family when I was growing up for eight children.....we did it all by hand.....nobody ever heard of washing by electricity. He knew what it was, he just did everything he could to get the money out of Washington to build these electric lines down here and then he would go to meetings down here to try to persuade the people that electricity was a great benefit which they ought to have and then he felt that as long as the LCRA was operating, it would be more economical if the LCRA would run the two coops, too. That way you wouldn't have three overheads and three managers and three of everything---That you'd just have one. And so he worked.....was instrumental in having the two cooperatives and the Authority agree to an operating contract which we still have---it's been changed some and a few other things, but it is still working and as a result of that, these two coops have the lowest rates in Texas.

PB: The lowest electric rates.....?

SG: Of any cooperative in Texas.

PB: Of any cooperative.

SG: That's right.

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PB: Well, in that connection, what was the attitude of the private utilities in that time era which was I think around 1940---in there---in that area, is that...

SG: I think once they sold the area, so to speak, and got out of it, then they never.....we had some disagreements, but not, I'd say that after that LCRA got along pretty well with them and they never tried to, so to speak, raid LCRA or raid the areas of the cooperatives and the cooperatives in turn just took care of their area---they had enough problems to take care of their own, so I think it has worked out real well.

PB: I perhaps had in mind a different matter. Why didn't the...why hadn't these country areas been developed by the private utilities?

SG: Well, I think there were two reasons. No. 1, I think in order to develop them you really needed a governmental agency, so to speak, because you had to have low interest rates and you had to be able to borrow the money and pay it back over a long period of time. The private utilities could not get low interest rates, and they just couldn't, at that time, see that there was this tremendous demand for electric energy that would be built up out in the rural areas. In those days, you know, if you built a line out to a rural place all the man wanted, he wanted a drop light in the house and that was about all he thought that he ever wanted from electricity. He didn't.....nobody ever.....at that time, thought about air conditioning and feed mills and milking and washing the clothes and radios and television and so many other things have been....that now use electric energy are being utilized on the farms.

PB: Well, I don't want to put any words into your mouth, you understand, but.....

SG: I understand.

PB: But, do you think that the Congressman had a different idea of the possibilities of electric power at that time?

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SG: I think that the Congressman felt like that electric power had to be brought to the rural areas if the rural areas were going to continue to survive and be a good place in which to live. And the general feeling, we'll say, of others in the electric business at that time was that well let's take care of the cities; in rural areas, they had the little Delco plants if they were wealthy enough.... that after all they were not in the business, of say, social business of bringing benefits unless they could make a profit out of it. Which to some extent was correct because they were using private money for the purpose of making a profit.

PB: You had some unusual problems in the Pedernales installations, I'm not, I don't know whether you are familiar with them or not in getting the poles set in that rocky, hillcountry, too, did you not?

SG: Well, you have, yes, it, the area there is quite different from the cooperatives down below Austin in that you are running into a hilly country and in a lot of instances, you know, you dynamite for your poles, to set your poles, and to get a hole and then you didn't have, see in those days you didn't have the hole diggers that you have now, you didn't have the mechanical equipment and the motor equipment, you didn't have the....., just a lot of things you didn't have than and it was harder to do.

PB: It is hard to remember those things that we didn't have, too, isn't it?

SG: It sure is. When you're so used to what we have now, it is very difficult to think back to those days.

PB: I was interested in your comment, sort of passing comment, about going with the President, or the candidate for Congress, at that time, on one of his campaign speeches, campaign forays. Can you recall any more about what kind of a speaker he was or what kind of an impact he had on the crowd?

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SG: Well, of course, I'm very biased because I am his friend, and I think he's done such a tremendous job not only in this area but ever since he's been in public office. I think that he gives, always gives the impression that he was wanting to do something, would do it, and had the ability to do it, and he would work harder at it than anybody else. He's not maybe a, I don't know how to say it, a fluent speaker but he's a forceful speaker and I think he got the message across.....what he had in mind.

PB: He was a.....he was not speaking from a written out speech when.....

SG: Oh, no. In those days, as you well know, the candidate went to all the precincts and then would end up down at Wooldridge Park, you know, and he didn't talk from notes.....he just talked from his heart and got up there and let them have it!

PB: Mr. Gideon, to get back for a few moments to the LCRA. I'm sure that in the beginning it was dubbed a foolish governmental interference with private industry because, I believe, it was modeled somewhat on the TVA, the Tennessee Valley Authority, which has been criticized from time to time. Now from your long association with the LCRA, in your opinion how does it compare with private industry in terms of being a worthwhile economic investment?

SG: I think LCRA has been a tremendous success. Of course, you run into the problem there of the fact that LCRA does not pay taxes, but LCRA brings benefits that are greater than the taxes that would have been paid. Of course, in the beginning there was the feeling that LCRA was in a government competition with private enterprise. I do think that, and I believe, that people feel now that if the LCRA had not been created, you would not have the flood control that has saved millions of dollars damages. You would not have this tremendous recreation area in Central Texas that draws.....that provides recreation for thousands.....for hundreds of thousands of people and you would not have the water supply for the City of Austin.

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The City of Austin would have given out of water but for the LCRA because they were relying entirely on the flow of the Colorado River and as you know, the Colorado River dried up a few years ago, and it was only the water coming out of the lakes that had been caught several years before and being let out gradually that furnished the water for the City of Austin, so from the standpoint of the operations of the Authority and its history, I think everybody who would study it would agree that it is an outstanding example of government doing a job that would not have been done, and could not have been done by private enterprise because private enterprise couldn't spend the money just for flood control and things like that. And LCRA now receives the cooperation from private enterprise. Back in 1941, as far as I know, LCRA and adjoining utilities, including private and government, into a voluntary agreement without anybody forcing them to, to work together to furnish a firm supply of power. The City of San Antonio, and LCRA, and the City of Austin, Houston Light and Power and Central Power and Light Company joined all of their transmission systems and then joined such transmission systems with Texas Power and Light to the north, and West Texas Utilities to the West, and all helped each other in time of trouble. We pool our power if it is needed, but we do it a little differently than they did up in the East where you had the blackout. We do not load down our transmission lines for regular service, but we keep them sort of open for emergencies so that if a unit is lost there's enough capacity in the transmission lines so that power can flow from one area to the other. In World War II when Houston Lighting and Power was having a load added on them every night, so to speak, without their knowledge, they had to have power brought in from outside, and the LCRA lines helped bring in the power from North Texas. And

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during the drought the private utilities helped LCRA by letting it have power so's LCRA could save water. So it's been, I'd say since 1943 or 4, it's been a wonderful cooperation between everybody in Central Texas. The LCRA has always paid more than its way. It never defaulted on any obligation. It in addition to having low-cost electricity it provides, without cost to the City of Austin, all the water that the City of Austin may need. LCRA does not charge them for the water they take out. We work with the City of Austin and have a contract, power contract with them on that. And LCRA with its dams has saved millions of dollars of damages that would have been caused by floods, and LCRA operates those flood control facilities without any charge--LCRA pays for that out of our revenues. So I think its been a tremendously successful operation, and I think it was demonstrated in 1954 when LCRA refunded its bonds then outstanding on the New York money market in open competition, and the interest rate which LCRA obtained at that was 2.0025 per cent, I believe, that any time private people will loan you money at that rate, they evidently think you are great. The only thing they have is your promise that you are going to operate and get revenues to pay it back. Evidently they think you have a wonderful operation. Congressman Johnson, later Senator, later Vice President--has always advised with LCRA and worked with it and is certainly due a great deal of the credit for what LCRA has achieved.

PB: I was interested in that pooling system that you have worked out. It was designed to take care of the power needs of an area in times of national emergency, too, is that not right?

SG: To begin with, I'd say that was sort of the reason it got started. You had a national emergency and you couldn't get new generation, all the industry of the country was devoted to the war effort. World War II, and so everybody went to-

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gether, so to speak, and a lot of them, the Federal Power Commission directed certain areas. But, they didn't direct us, we did it, and when they investigated this area they found that we were already doing more than they had anticipated and I think that there wasn't anything else that could be done that we weren't doing just voluntarily. We just all hooked together, you know, electricity flows where ever it is needed and we just tied our transmission lines together, and we all built transmission lines and built interconnecting facilities keeping in mind how to help the neighbor, and so we've kept our facilities up-to-date and spent millions of dollars on doing it so that we could stay interconnected. We are now interconnected all over.....with everybody in Texas who does not ship power out of the State of Texas. No power in any of the systems that we are connected with either go into.....I mean, go out of the State, or come from out of State. We are all in the intrastate business, so to speak.

PB: Could it be supplied to other states if the need arose?

SG: It could be, and in some instances they have emergency agreements. If you have an interstate line, why then you have to go under the Federal Power jurisdiction and the people in Texas.....the majority of the utilities in Texas feel like it is to the advantage of their customers not to do that. So they do not cross state lines, but, Texas is big enough that it can take the advantages, all the advantages of the interconnection. So it would not be of any advantage to any adjoining state to be interconnected with Texas and it certainly wouldn't be any advantage to Texas, for us to be interconnected with them. We can get all the advantages of connection, interconnection, right here in Texas because there's enough change in temperature and rain conditions and things like that to where what little advantages there are we can get them by Dallas and Fort, and Houston, and Corpus

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Christi and Laredo and San Antonio and Austin and Abilene being interconnected and that's what we are.

PB: Now, Mr. Gideon, I want to touch upon a subject that might be slightly delicate. How was the decision made to name one of your lakes Lyndon B. Johnson Lake?

SG: Well, I think it was just sort of a natural evolvement. When Senator Wirtz died.... he had been a great friend of Lyndon Johnson and the then, I believe he was Senator at that time, Senator Johnson, he suggested to the Board that we consider naming one of the dams after Senator Wirtz. And the Board thought that certainly was a wonderful suggestion because as we pointed out a while ago, I believe Wirtz fathered the idea of creating the Authority and I think based on his efforts, the Authority lived through the difficult years and got over its growing pains and became such an organization that it is today and it is recognized as being outstandingly successful. So the dam that was then called Granite Shoals Dam was named Alvin Wirtz Dam. And Senator Johnson was one of the main speakers at the dedication and I believe Governor Shivers was there and Homer Thornberry was Congressman then, he was there, and Mayor Tom Miller was there and all the people who had helped build the LCRA and who had been sort of as a team had worked together for so many years. And so when Senator Johnson, who became Vice President and then became President....he had, and I think an article appeared in the Reader's Digest, as I remember, saying what the LCRA meant to him and why and what a great comfort he got out of coming back to the hills, the Hill Country of Texas, and how proud he was of the accomplishment and the LCRA Board of Directors just thought that since he had dedicated the dam that created the Lake and since he lived in the Hill Country, and since he said it was a great comfort to him, and since he had a boat up there on the Lake, why didn't LCRA just name the lake Lake Lyndon B. Johnson. He had done so much work in the early history of the

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Authority and in fact all the time, anytime the Authority needed any help we had no hesitancy in going to him. We needed help several times while he was a Senator, he helped us with several problems and so the Board just sort of, I'd say, it was just one of those natural things that come along. They (the Board) felt like they'd like to name it for the President. And so the Board did name it for him and then we notified him that it had been done. I think it was quite a.....that is, rather a surprise to him. And in fact I've a letter from the President up there on my office wall with a copy of the Board Resolution, and I think it's just people sort of like to recognize while they're still living those who have made a great contribution to the Authority. LCRA has done this several times, like the Max Starcke Dam, they named for him because of work he had done while he was General Manager and Buchanan Dam was named for Congressman Buchanan, Mansfield Dam was named for Congressman Mansfield for the work he had done in getting flood control. At the time it was dedicated, Congressman Mansfield was out there at the Dam, so was Congressman Johnson, and Senator Wirtz, and it is just one of those things that the Authority has done throughout the years of just recognizing people who contributed greatly to the accomplishments of the Authority--and LCRA just hoped it would please the President to name a lake for him.

PB: Have you had any criticism for doing so?

SG: Oh, yes. You know you always have criticism, but it was very minor. I think the primary criticism was that people thought the first name of the lake was sort of poetic, Granite Shoals, you know, and then, of course, we had one or two who of course, were opposed to the President and didn't want his name on anything, but you have criticism in anything you do if it is an affirmative thing, and then you have criticism if you don't do it, and so I would say the criticism was rather mild.

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PB: Mr. Gideon, during the last several years I know there have been a great number of distinguished people from other countries who have visited at the LBJ Ranch and invariably Mr. Johnson, who has been either Vice President or President during those times has taken those visitors to see the lakes in the LCRA system. Is that correct?

SG: Well, yes. Particularly when he was Vice President. I recall we helped prepare information concerning Authority for the President of Mexico when he came to the Ranch. We were invited to the meeting out at the Ranch and, just as a sidelight, I flew on the Helicopter with the President of Mexico and the Vice President of the United States and Governor Price Daniel, and we flew up and looked at the dams. Then when Chancellor Adenauer came over from Germany we prepared some information concerning the Authority, we had it put, translated into German just like when the President of Mexico came, we had it translated into Spanish. When the, I guess, Premier or whatever he is from Pakistan came over, we prepared some information, and I think that so far as the Authority was concerned here was a project that began and grew during the political life of the President, as a Congressman, as a Senator, and as a Vice President, and it is in his area and is something in which he has contributed so much and he was proud of it, for which LCRA is grateful. He apparently felt like that maybe it would give some ideas to these people concerning their own country, particularly say, Mexico and Pakistan, as to how a governmental agency could be a great help to an area.

PB: Now, to revert to something you said much earlier. You were talking about your early trips to Washington, and your meetings with Mr. Goldsmith, I believe it was, and Mr. Fortas.

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SG: Mr. Fortas is now Justice on the Supreme Court of the United States and as I say, Mr. Goldsmith is the U. S. representative at the Embassy across the street from the United Nations.

PB: Yes. Well now I take it that you might have been classified at that time as a bunch of young "new dealers."

SG: Well, I expect we were. Congressman Johnson, of course, that was back in the 19 -- oh I'd say, 38-39-40-41.....before December of '41 anyway, and Goldsmith and Fortas, as I remember, were in the Interior Department under Ickes, you know, and he was certainly classified as a New Dealer, and during those times all were a lot younger, and attacked all problems very vigorously and with a great deal of discussion but were fortunate to have Senator Wirtz along, and he always had that wisdom of age and experience that kept every one pretty well in line.

PB: He had a sort of a dry humor, too, did he not?

SG: He sure did. And as I've said, just a wonderful insight into not only existing conditions, but what was going to happen in the future and.....

PB: Did you all discuss political matters any at that time?

SG: Well, everything was discussed. On how to save the world and the United States and Texas and.....but.....I mean the usual discussions that people would have that particularly were involved in politics whenever sitting around they do with friends and.....

PB: You don't recall any specific stories at this time.....

SG: No, I don't recall any other than.....I always felt like that I was fortunate..... that I had the opportunity to be along on those occasions. I know Congressman, at that time, Congressman Johnson when we'd be up to the Capitol, he'd have us in to see Mr. Sam and there would be a conversation there you know about various people in Congress and how they were going to do this, and this and that and the other, and I would be able to sit there and listen. There was quite a discussion, and of

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course, you know, about Mr. Garner when he was Vice President and his falling out with the President, Roosevelt, and just politics in general. You know how discussions are when you get in politics.

PB: Mr. Gideon, I know that in this short space of time that we have been talking that you cannot make a complete record of the story of the LCRA and I do think that you have finished the high spots. Is there anything that you think that we have overlooked that should have been included?

SG: Well, as I stated, off the record, so to speak, when I get to talking about the LCRA and since I've spent all my life,.....most of my life at it since 1934, I could just talk for hours and hours and hours, and I.....when I remember the men that were involved,.....and I could talk about each one of them. I don't remember too much of the details because years have passed, but the fact that the Authority has had associated.....working for it, Congressman Johnson, then Senator Johnson, then Vice President Johnson, has been very beneficial to LCRA. Of course, as President, he's.....we haven't had the opportunity and wouldn't expect the opportunity of being as close to him as we were certainly when he was Congressman and Senator. And then having had people like Senator Wirtz and Governor Connally and Ralph Yarbrough and all the other people directly connected with the Authority.

I do know one instance that certainly impressed my Board and also changed the vote of one of my members of the Board who was certainly not for Senator Johnson at the time. We were in the Senator's office, and LCRA had a problem and Senator Johnson called and made an appointment, and then he didn't send an assistant with us to the appointment. After getting it we talked about ten minutes and then he said, "well, your appointment is pretty soon, let's go!" And I think some of my Board members were rather surprised and they said, "Look, Senator, are

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you going with us?" And he said, "Yes, certainly." He said, "Your problem is mine and I'm not sending anybody over there to do my work for me. I'm going with you." And he just went with us and listened to both sides and helped..... and that, of course, is the way he operated....while he was Senator and Congressman. He would have our Board members whenever they were in Washington out to his home and he'd get the benefit of all of their ideas and what we were trying to do, and then he would give them the benefit of what he thought we ought to try to do and could do for Central Texas. We was just always very ambitious in seeing that something was done for the area. He felt like it could be done and needed to be done and, I think, the Authority has done a tremendous amount for the area of Central Texas. As I say, I could talk about that a long time, but the only reason it has been able to do it, I would say, goes back to Wirtz's ability to think and organize and compromise from the standpoint of politics, to get it organized and then to visualize something that would work and then the fortunate position of having Congressman Johnson and then Senator Johnson interested in developing the area for rural electricity, and flood control and water conservation. The LCRA has had great friends, and I think LCRA has done a job that they can be proud of.

PB: Thank you very much, Mr. Gideon, you have been extremely helpful.

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By Sim Gideon

to the

Lyndon Baines Johnson Library

In accordance with Sec. 507 of the Federal Property and Administrative Services Act of 1949, as amended (44 U.S.C. 397) and regulations issued thereunder (41 CFR 101-10), I, Sim Gideon, hereinafter referred to as the donor, hereby give, donate, and convey to the United States of America for eventual deposit in the Lyndon Baines Johnson Library, and for administration therein by the authorities thereof, a tape and transcript of a personal statement approved by me and prepared for the purpose of deposit in the Lyndon Baines Johnson Library. The gift of this material is made subject to the following terms and conditions:

1. Title to the material transferred hereunder, and all literary property rights, will pass to the United States as of the date of the delivery of this material into the physical custody of the Archivist of the United States.

2. It is the donor's wish to make the material donated to the United States of America by terms of this instrument available for research as soon as it has been deposited in the Lyndon Baines Johnson Library.

3. A revision of this stipulation governing access to the material for research may be entered into between the donor and the Archivist of the United States, or his designee, if it appears desirable.

4. The material donated to the United States pursuant to the foregoing shall be kept intact permanently in the Lyndon Baines Johnson Library.

Signed

Date

Accepted

Date

Sim Gideon
Sept. 19, 1968.
Harry Shivers - for
Archivist of the United States

May 15, 1975