

# MAINE STATE LEGISLATURE

The following document is provided by the  
**LAW AND LEGISLATIVE DIGITAL LIBRARY**  
at the Maine State Law and Legislative Reference Library  
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied  
(searchable text may contain some errors and/or omissions)

Woodman

Testimony of STILLMAN E. WOODMAN,  
Chairman, State Highway Commission.

Friday, June 21, 1940.

HOUSE OF REPRESENTATIVES

JUL 22 1940

Accompanied  
Partial Report of  
Com.

Harvey Reese  
CLERK

available

Friday, June 21, 1940

STILLMAN E. WOODMAN, Chairman of the State Highway Commission, testified as follows:

(By Mr. Webber)

Q. Your full name is Stillman E. Woodman?

A. Yes.

Q. And you are the Chairman of the State Highway Commission?

A. Yes, sir.

Q. You are sixty-two years old?

A. Yes. Sixty-two?

Q. Sixty-two; I believe that is what you told me.

A. Yes. I thought for a moment you said fifty-two.

Q. And you live in Machias?

A. Yes.

Q. And before you came with the State of Maine you were Sheriff over there for about ten years?

A. No. I was United States Marshal, when I came with the State of Maine.

Q. And prior to that you had been sheriff for about ten years?

A. Yes.

Q. And you first came with the State of Maine in connection with the liquor work, that is, it was the State Licensing Board then.

A. Yes; that is where I started in.

Q. And that developed into the present form of State Liquor Commission?

Q. Of which you were Chairman?

A. Yes, sir.

Q. Mr. Woodman, will you tell the Committee briefly how you happened to leave the Liquor Commission and go with the Highway Commission.

A. Yes, I wanted to get out of trouble.

Q. Well, will you elaborate on that a little bit?

A. Well, I felt the Liquor Commission was full of dynamite.

Q. Had you already begun to see some evidences of that sort of thing?

A. Yes.

Q. And you mean by that that the opportunities for graft were ever present and that there would be naturally suspicions attached to anybody doing that work?

A. Great. The opportunities for graft were great there.

Q. And you came with the Highway Commission on May 1st, 1935?

A. Yes.

Q. Did you begin as Chairman or were you a member at first?

A. I was a member.

Q. And you became Chairman when?

A. In 1939.

Q. Now, Mr. Woodman, we discussed Appropriation 9075 so-called. You recall that we did discuss that?

A. What was that, Mr. Webber?

Q. Connected with the Motor Transport Division?

A. Oh yes, yes.

Q. Now what, Mr. Woodman, to your mind is this so-called

Appropriation #9075. When I say that, I mean what does that mean to you, if anything?

A. No, I must say that since our trouble here that it don't mean anything to me. I can't see, from inquiries that I have made, but what it was all one pool here.

Q. Well, now, let's fix our attention at first on that phrase - "Appropriation #9075." Now, that is a Code Number in the Bureau of Accounts and Control, is it not?

A. Yes.

Q. And it is the so-called "Motor Transport Division" fund?

A. Yes.

Q. Now, what is this Motor Transport Division, as you understand it?

A. Well, the Motor Transport Division is where the shovels, the trucks, the snow ploughs and all of that equipment that we use on the road. I had always supposed that it was practically self-supporting. For instance, we buy a shovel, and let it out to the town at so much an hour, and we plan to make that rate an hour enough to take care of the shovel and give us a surplus so that we might buy a new one when that is worn out, buy a new shovel. Before I come on the Highway Commission, it was understood that there was \$435,000 in that fund. Now, I can't recall just what year it was, but there was a year here that they could not agree on any tax bill. The Legislature passed

a bill here giving the Governor and Council the right to transfer money from one department to another.

Q. That was the so-called Flexibility Bill?

A. Yes. At that time I understood we had \$435,000 in this equipment fund. We call it the Equipment Fund. You have got it under a different one there. They took \$400,000 from that fund at that time and left us \$35,000. Since that time there has been a great deal of this W.P.A. work. We have been getting the roads, and, to help out the thing, have let these shovels out and some of them have gone out free, and so of course our equipment fund is not quite self-supporting since. We were getting the roads. We were helping the towns to get along. I will explain that better. Mr. MacNichol will understand that - you have got a W.P.A. job in your own town, now; we have one or two shovels there and a compressor, that is there free of charge. That is a Federal Aid Road. We are getting it fixed up. We loaned the shovels to them free of charge. And there are numerous cases of that kind over the State, and that don't help to keep our Equipment Fund up.

Q. Where did this \$400,000 go? Did you ever find out?

A. No.

Q. Did it go out of the Highway Department funds?

A. It went out of this Equipment Fund. Mr. Runnells claimed that it was a separate account; that it was an equipment account, an equipment fund; but it went out and we never got it back.

Q. But it stayed in the funds of other divisions of the Highway Department, didn't it?

A. No; it went into all departments here, Mr. Webber.

Q. Are you absolutely sure of that?

A. I am quite sure of that. That was the understanding, and I know that the hospitals were short of money and that the State Prison was short of money, and that money went for the whole of it; it went for general use, all over the State, as far as I ever knew.

Q. You have been talking with Mr. Rodgers about where that went, haven't you?

A. No. I have not. It has been my understanding ever since it went into all departments, to keep the State going.

Q. You said to me the other day that you had been talking with Mr. Rodgers?

A. Yes, I have been talking with him a lot.

Q. And you had been trying to find out. You said that you had been hunting for appropriation 9075 yourself and you said further that you had been working with Mr. Rodgers, the new Controller?

A. Yes.

Q. And you could not find out what he (meaning Mr. Kunnells) was doing with it and you said that you told Mr. Rodgers it was just simply one pooled fund, the Highway Department Fund, no separate fund at all. What were you looking for,

with Mr. Rodgers, the \$400,000?

A. No. I had let out \$250,000 worth of contracts the week before, and it was, as I understand, we had to sell the bonds, -a million dollars worth of bonds we were authorized to sell each year, and we can't sell more than that, so after letting them \$250,000 worth of contracts, I took up with the State Treasurer about issuing the bonds, and I went to Mr. Rodgers about it first. Along later that day, the Treasurer called me and told me that we could not issue any more bonds this year, because we already had a million dollars sold last August, so then I commenced to wonder how we financed last year, so of course I could readily understand that it was taken out of the General Highway fund. We can't sell any more bonds until after the fiscal year begins, July first, so them things lead me to believe there was one pool he ran; I could not find any separate appropriations or anything.

CHAIRMAN TOMPKINS: Pardon me, let's get those appropriations for these different departments right; there are no appropriations for the different departments in your Highway Department; they are allotments set up for this division or that division in your department; so they are not appropriations, and if you won't refer to them as appropriations, it will avoid a lot of confusion, because they are allotments.

A. In other words, Mr. Tompkins, the Legislature fixes quite



a number of them, so much for State Aid, so much for Third Class, but, as far as that equipment fund, that number you have given, we always understood that equipment fund, we have got no appropriation set up for that; never had; I never understood that we had any.

CHAIRMAN TOMPKINS: That is right.

As a matter of fact, that Motor Transport Division fund might properly be termed an equipment depreciation fund, mightn't it?

A. Yes; that is it; and we have always planned to earn it; to earn enough with our shovels to take care of it.

CHAIRMAN TOMPKINS: Pardon me, I would just like to know how you plan to earn money with your shovels?

A. If your town of Houlton this morning, Mr. Tompkins, uses our shovel up on the road, we will charge you so much an hour for it, and we plan to charge enough so that we will have enough to buy a new one when that is worn out.

CHAIRMAN TOMPKINS: Then this is not a case of when you use a shovel of charging the use of that shovel up to the Highway fund; when you use one for the State Aids do you charge up the use of that?

A. We don't use any for the State; it is practically all State Aid and third class roads where those shovels are; we own 83 shovels and them shovels works 90 per cent for the towns on State aid and third class roads, and in that case we charge so much an hour and plan to charge enough so that we can

buy a new one but that has got away from us, because there has been so much free use; we haven't been able to keep up.

(By Mr. Webber)

Q. Mr. Woodman, in buying a piece of equipment, how do you determine whether you are going to buy that piece of equipment out of the money allotted, say, to the Maintenance Department, or whether you are going to buy it and charge it to this 9075 or Motor Transport Division Equipment Fund?

A. That has always been done through Mr. Runnells. If I wanted to buy six shovels this morning, I would go to him and ask him if he would arrange for me to buy six shovels. I can't say where he charged it.

Q. Then you would not have anything to do with the determination as to whether three of those shovels should be from then on, shall we say, fathered by the Motor Transport Division, and three fathered by the Maintenance Department, or whatever it might be, or whether all six of them should be in one place or another?

A. It has been our understanding that shovels was charged to the State Aid Department under Mr. Weymouth and that trucks and snow ploughs were charged to the Maintenance Department under Mr. Church.

Q. Well, it is a fact, is it not, that you might have two identical pieces of equipment, and one is bought in the Motor Transport Division and the other is not, as far as they are concerned?

A. Yes, right.

Q. And on one rental is paid by a Division to the Motor

Transport Division, and on the other, if they have it in their shop, they pay a repair bill on it?

A. Yes, and Mr. Wilder, when getting over in the Bridge Department, he has got some trucks and things but it was all done through Mr. Runnells.

Q. Mr. Runnells, then, was the one who determined whether it should come out of one fund or another?

A. Yes; yes.

Q. Now, how do you propose to handle that now; do you propose to leave it to Mr. Rodgers to determine which fund to take it out of?

A. I thought this Committee would tell us what to do, when you get all through here.

Q. We have stumbled into a real problem with this Motor Transport Division, haven't we?

A. Yes.

Q. That is a real situation that needs attention?

A. Yes, of course it does.

Q. This Motor Transport Division at the present time is an accounting proposition, and not a division in the sense that your other divisions are divisions. That is true, isn't it?

A. Yes.

Q. Now, it has not get any real head, nor tail or organization, or anything, has it now, as it is now?

A. That is true.

Q. Now, what would you say about having that set up as a real division, more like your other divisions, and have it have charge of all motor transport equipment, and keep your own cost accounting on it, and so forth?

A. I would recommend it very strongly. It is large enough for one of the best men we can get.

Q. And to have a step by step line of authority right down through, with each man answerable to the man above him?

A. I would recommend that very strongly. I think the thing needs adjustment very much.

Q. It is true, isn't it, Mr. Woodman, that with the work that you have had to do, and the work that Mr. Barrows has had to do, that this Motor Transport Division has sort of been a child without any parents, hasn't it, that has been allowed to grow by itself?

A. That is true.

Q. And has grown out of bounds?

A. Yes.

Q. Would you have any thought as to whether, if such set-up was made, the head of the Motor Transport Division should be a man who at least had some substantial knowledge of accounting methods.

A. Yes, that State Garage business is large and I think it requires an extra good man.

Q. A man who had purely knowledge of equipment and mechanics, and so forth, might be a little in over his head?

A. I don't think that kind of a man would fill the bill at all.

(Conference off record)

(By Mr. Webber)

Q. Now, Mr. Woodman, we are not clear in our minds as to where the Commission leaves off and the Governor and Council begin, as far as jurisdiction and authority and the running of the Department is concerned, and will you give us your thought on that?

A. Why, I have always looked on the Governor and Council over us, of course, in everything. In the purchasing there, I have never been clear on it. I felt that we could have purchased everything there, had we wanted to.

Q. You mean under the statute, as set up?

A. Under the statute, yes. I am not an attorney; I don't know; you read it there and I think there is some question in your mind about it.

Q. Just for the purpose of the record, you are referring to Sec. 7 of Chapter 28 of the Revised Statutes, a section entitled "General Powers and Duties of the Commission"?

A. Yes. In most cases, when we would buy anything, we would send an order to the Governor and Council, for their approval. In practically all of the large purchases. Some of the little ones, I guess, unless I happened to think at the time to pass that along to the Governor and Council, it may have been purchased without it. I have always felt that

that statute, that under it we could do everything we wanted to, regardless of the Governor and Council, but we have not done it, Mr. Webber, we wanted to share this responsibility as far as we could.

Q. As a practical matter, you have proceeded on the theory that the big things should go before the Governor and Council?

A. Yes.

Q. And the small things and emergency things you would handle without them?

A. Yes, sir.

Q. And that is the way it had been done before you came onto the Commission.

A. When I came onto the Commission, Mr. Paul Thurston was Chairman, there were only two of us there for two years. Mr. Thurston, I believe, was a strictly honest fellow, and a man of great business ability, and I simply fell into the custom and went along with it, when the different things would come up; there was not any reason why I would inquire into it. He would tell me that was the custom, and we went along with it; and we were there, the two of us for two years, when I first entered the Highway Commission.

Q. On purchases that you handle with bids, you make recommendations to the Governor and Council as to what bids should be accepted?

A. Yes. And, 100 per cent, in the five years that I have been over on the Highway Commission, the low bid has been recommended on all of it.

Q. When we were talking, Mr. Woodman, we ran into the situation, in 1938, which you specifically called to my attention voluntarily and gave me an explanation of how it happened that the Barrack people got an order away from the rival people. Do you want briefly to put that into the record?

A. Yes, I do, because anybody that has been in politics as long as I have, has their political enemies. I have a nephew that sells tar for the Koppers people. In 1937 there was a close bid on a million gallons of tar.

Q. In 1938, Mr. Woodman?

A. Yes, I guess I gave you that wrong.

Q. You found it was 1938.

A. Yes. In figuring up, after we got the bids, it looked as if the Koppers people was \$437 low on a million gallons of tar, which involved \$91,000. I insisted that that go to the Barrack people, not the Koppers people; because we could figure another way, with going to the same stations we had used the previous year, they would have been low, and, shifting around, where we were going that particular year, it was close, but I insisted it go to the Barrack people, not the Koppers people.

Q. You feel that it will show up on the records that

aside from that one instance, tar has always gone to the low bidder?

A. Yes. That was close; that was very close but the benefit went to the other company, went to the Barrack people.

Q. And they were all satisfied when they got through?

A. They didn't find much fault about it.

Q. Now, Mr. Woodman, go ahead.

A. If you will let me continue a little more about the tar. In 1938 we had a new concern come in, the Riley concern, and they under-bid the Koppers and Barrack people for more than half of our tar. They were a new concern. We didn't know at that time whether they could furnish this tar as fast as we would want it so I called them in, and told the Riley people that they were new to us; that they had a large part of this tar; and asked them if they didn't think it would be well for them to let go of some of it. They agreed to let go of a million gallons of that tar, still leaving them three and one-half millions, I think. I then went to the Barrack people and asked them if they would not accept the tar at their bid, at the bid that the Riley people gave us, and they agreed. It was all pleasant; but that million gallons went to the Barrack people, not the Koppers people which my nephew works for.

CHAIRMAN TOMPKINS: The Barrack people were the next lowest bidders?



A. Yes, the next lowest bidders. Seven hundred and some odd thousand different between them, and that tar, costing up around \$80,000 or so, but it was all agreed upon. I was just afraid that the Riley people had more tar than they could handle and they had no facilities here; they had to get them, and it means something to us, whether this tar can be delivered to us as fast as we want it.

CHAIRMAN TOMPKINS: Who are the Riley people?

A. They turned out to be a large concern. They furnished us for two years a great deal of our tar; they came back the next year and bid; but this year Koppers and Barrack, - and the whole of them, - got to fighting, and we are buying tar this year two cents, on an average, cheaper than we ever did before; due to a fight we are buying tar this year about \$230,000 less than we bought it the year before.

CHAIRMAN TOMPKINS: You didn't answer my question, Mr. Woodman. Who are the Riley people?

A. I can't answer that, Mr. Tompkins. I don't know just where they are located. They are large. They are about the third largest tar concern in this country.

CHAIRMAN TOMPKINS: Who is their representative in this State?

A. Hollis Cole, out in Kittery.

(By Mr. Webber)

Q. Now, Mr. Woodman, you can recall that we discussed the matter of buying shovels, and perhaps I can expedite this for the record, if I should give a resumé in my question

of the ground that we covered. You have, over a period of years, if I understand it, bought a great many General shovels, made by the General Excavator Company?

A. Yes.

Q. And have accumulated somewhere around 49 or 50 General shovels?

A. Forty-four. I have got the figures. We own forty-four today.

Q. Forty-four General shovels, out of a total number of shovels of how many?

A. Eighty-three.

Q. As I understand it, Mr. Davis and Mr. Weymouth have always felt and expressed the opinion that these General shovels did very good work?

A. Yes.

Q. And they have recommended their purchase on practically every occasion?

A. Yes.

Q. The parts have been, for the most part, interchangeable, and also the Garage has been set up and equipped to make parts for General shovels, which they cannot do on other shovels. That is all true? What is right?

A. Yes.

Q. In 1938 you purchased only 5 shovels and they were all General shovels?

A. Yes.

Q. And since 1938 you have more or less gotten away from General shovels and in 1940 did not buy any Generals at all?

A. Yes.

Q. Well, you gave me some explanation of what was in your mind in breaking away from the General shovels, and will you now give the Committee the explanation that you gave to me?

A. As I understand it, they changed the General shovel around. No General agent has ever come near me since I was there, to tell me anything about his shovels. I was told by one of the other men about the change being made in the General shovels; that the parts would be no longer in the new shovel. That was one reason. I also have never thought that it was good judgment to buy too much of any one thing over there, anyway. I don't think the large companies do it. I don't think that it would be good business for the State for the General shovel or for any other shovel to think that they had a monopoly on it. Further than that, you are criticised most severely if you don't pass this business around some. I don't know as I can explain that any better.

Q. The only information that you got, Mr. Woodman, that they were changing the General shovel, came from the salesman of a rival company?

A. That is true. Mr. Robinson of Bay City Shovel Company.

There has always been a disagreement on the best shovel over

there in that department, anyway. Frank Marston, that was there as Master Mechanic for many years, but who has passed on now, was always a great Bay City man. The Master Mechanic we have got now, Mr. Davis, I think, is a believer in the General shovel, and you get that with everything. Mr. Marston was always strong for the Bay City shovel.

CHAIRMAN TOMPKINS: Have you any preference?

A. No, I don't claim to be an expert on those things, anyway; I don't know.

MR. WEBBER: I believe you told me there was never any sort of pressure brought to bear on you by the Governor or anyone on the Governor's Council to buy any particular kind of shovel?

A. No. I tried to keep out of as much trouble as I could. That is only natural, and I am willing to admit that I tried to pass that business around.

CHAIRMAN TOMPKINS: May I ask you, Mr. Woodman, if you have a purchasing agent in the Highway Department?

A. We have a man, Mr. Tompkins, Sawtelle, that gets the bids on tires and such things as that; to purchase all these trucks, shovels and things, comes to the Highway Commission themselves. He gets bids on these tires and things like that, most of that stuff goes through him; but in those purchases it is done by the Commission.

Q. And is he an authorized agent of the Governor and Council for his purchases?

A. Yes, in fact when we were using all these cars and things, had to go from him to the purchasing agent upstairs, and then to the Governor and Council. If we wanted five cars for supervisors or anything this morning, we would tell Sawtelle that we wanted so many cars, and he would take it up with the Purchasing Agent upstairs here, and from there, to the Governor and Council; that was the smaller cars.

MR. RICHARDSON: Didn't you mention a year or two ago purchasing some second hand trucks, and having the big drums or containers put on them, and using them for tar distributing trucks, instead of buying new ones?

A. No; that was our snow ploughing trucks. This Equipment Fund was running low and we used the snow plough trucks, which I didn't think was good business at that time but rather than trying to get the money to buy trucks for the tar, we did use the snow plough trucks; we brought them in and had the big drums put on them and used them; but they were the trucks we plough snow with in the winter-time.

(By MR. WEBBER)

Q. Mr. Woodman, based on your experience, do you think that there is any better and more economical and efficient method of purchasing, particularly on heavy items, that could be devised for the Highway Department than the one that is now used?

A. Yes, I think there should be one man especially for it; and I should think he ought to be a good man; an extra good man.

Q. You mean to have a purchasing agent, like Mr. Sawtelle, for example, only have him purchase everything?

A. Yes.

Q. And would that involve taking it rather completely out of the hands of the Governor and Council, for example?

A. No, I still think it should go before the Governor and Council. I think that they should pass on those things.

Q. And why do you feel that they should?

A. The Governor and Council are supposed to look after our finances. I don't think that any of this wants to be left too much to any one man. The opportunities for the right kind of a fellow in the Highway Department, as well as the Liquor Department, is great, if you want to use it. There is no question about that at all. We purchase a great deal. We spend a lot of money over there in purchases, and I think it wants to be guarded all the way up the line. I don't think any one man should have it.

Q. Has it been the practice to pass along to the Governor and Council the recommendations which have come up to the Commission from the various heads of departments as to what they thought was the best thing to buy?

A. Yes, with the exceptions - you might go back to those shovels again. There has always been a disagreement and I won't say it has gone 100 per cent but what them men has recommended. Again, I want to say that I thought it was better

to split it up. I don't think that anyone should have a monopoly on the State stuff. I may be wrong. Mr. Thatcher, you worked for the Great Northern Paper Company, one of the largest paper corporations in the State of Maine. I don't think they standardize on any particular thing. I don't think that any of the larger concerns should do that. I don't think the State should do that. I may be wrong on it.

Q. What has been your practice and policy on the purchase of trucks, Mr. Woodman?

A. The most of that has been - well, in the year of 1935, we went into Aroostook County and ploughed the snow for the first time. Anyone familiar with that county knows you have got to have the very best of materials, and the very best of trucks. We bought that year 10 Autocars and 5 Walters, because they were recommended to us. They are among the first of the four wheel drive trucks.

Q. Recommended by the heads of your departments, or from the outside?

A. I have in mind on the Autocars, on the first ten trucks that we bought, that Mr. Thurston was very strong on them; he had had some of that Company's cars and he thought a great deal of them. That was one reason we had ten in that year. We got down into Aroostook County and it was kind of a hard winter there. The trucks were new; before we arrived, at that time, the Company sent two men down there, at their own expense, and kept them there most of the winter, to keep those

trucks repaired; to keep them running; and learning themselves of some improvement to make on them. Since that time, we have been quite strong for the Autocar and for the Walters; with the other fellows, of course, finding fault all the time that their truck was just as good or better than those. That is what I mean by that. I don't think you should stay too close to anything; you commence to get criticised; that you are not fair with your business, - the state's business; and some of them are mean enough to go far enough and say that there is a reason for it; and you get into that.

Q. I would like to ask you one or two questions that I asked you in preliminary examination. Might it not avoid some criticism among the trade - and I am thinking now of not shovels and trucks and that sort of thing so much as the things where the specifications carry a formula - in cases where there is a specific formula set out in requests for bids, that no one be allowed to bid on any different formula?

A. Yes.

Q. And, if you people think the price is too high, when the bids come in, for you to simply say then, "We will change the formula," and give them another crack at it, on a different formula?

A. Yes.

Q. And that might be an advantageous thing for the Commission to pass down the line to, say, Mr. Church?



A. You have in mind, Mr. Webber, what we talked on when over here the other day, the salt?

Q. That is one example.

A. I talked with Mr. Church about that this morning. He explained it to me.

(Conference off record)

CHAIRMAN TOMPKINS: What was the explanation. I want it for the record?

A. This is a letter from the Shurtleff Company.

Q. Shurtleff, of Portland?

A. (reading) "We guarantee to furnish salt at a chemical composition of not less than 98 per cent sodium chloride." That is the same as the bid that went out.

Q. So you don't think in the case of the salt the bid that was accepted was on any poorer grade of salt than the specification on the request for bids called for?

A. Mr. MacNichol has just asked me if that was analyzed, and I told him, "No," that I didn't think it was.

MR. MACNICHOL: I might for the record here state, knowing about that salt, that if of 98 per cent sodium chloride, it would not necessarily be any better for road purposes than salt of a slightly smaller commercial per cent, you could buy in some cases cheaper, but if you did get 98 per cent sodium chloride for the price of that salt, it was a very good buy for the State.

A. Our instructions to Mr. Church were to buy a salt suitable for the roads and to buy it as cheaply as he could, of course.

But I am glad to have that cleared up, because, if there was something wrong with it, we want to have it known of course; we want to know.

(By Mr. WEBBER)

Q. Mr. Woodman, you told me that as to those cars that were taken away from the Highway Commission and turned over to the Departmental Garage for sale, there were some seventy or eighty cars that belonged to the Highway Commission that were turned in; that you talked with Mr. Runnells -

A. Yes.

Q. About that and you asked him if they were not going to give your Department something out of the proceeds that they got out of those cars, and that he said "No."?

A. Yes, that is right.

Q. We have since been informed by the Purchasing Agent's Department that the Highway Department did get a credit on the cars that originally belonged to them, out of the proceeds of the sale. Have you checked further, to see if that has ever been done?

A. No. I have not. All I know, Mr. Webber, I went to him and asked him and he told me they were going to take our cars and put them up in the Departmental Garage and charge us four cents a mile for them, and I said, "You are going to pay us for the cars," and he says, "No," so I didn't follow it any further. He told me that he would not allow us anything for them. I never questioned Mr. Runnells on anything.

You say that you do find he did credit us with something?

Q. Well, as I understand it, the Purchasing Agent's Department, which has charge of the Departmental Garage, has informed us that they have information that the Highway Department did get a credit for those cars and I wondered if you had followed it up?

A. Mr. Rodgers may have looked after that; I talked with him about it; and I told him that I didn't think it was fair to take our cars away that we had bought and paid for ourselves and then start charging us four cents a mile for them.

(Conference off record)

SENATOR LAUGHLIN: Do you think that they sold any of your cars and let the Departmental Garage keep the money?

A. Yes, Mr. Webber just tells me he thinks we have got a credit. I talked with Mr. Rodgers - I talked with Mr. Runnells first, and asked him if he was going to pay us for our cars and he said "No," so I never followed it any further, but I talked with Mr. Rodgers afterwards and told him that it was very unfair and he may have changed it, although I have not looked into it or nothing. He told me he would not pay for the cars. That is the only thing I knew about it.

By MR. WEBBER: For the record, I would like to have it appear that I know nothing about this, except what has been testified to by representatives of the Purchasing Agent's Department in here, when they have testified to it.

Now, turning your attention for a moment to the matter

of sales to State employees, which used to go on over there, you recall telling me about a complaint that you had from the merchants, and will you tell us again about that and what you did about it and what response you got, and so forth?

A. About two years ago I had a complaint from the merchants down street that we were taking their business away from them in the sales of these tires and accessories down here, and I went to Mr. Sunnells and talked with him about it and told him of the complaints I was getting and I asked him, "Why don't we stop that? We don't make any money out of it, the five per cent you are charging over and above the cost price don't give us any money?" And he said, "I'll tell you, Mr. Woodman, we have got a lot of poor people working for the State," and, he says, "It helps them to buy a tire for \$2.00 or \$3.00 less than they can buy it down street. All large companies do it. The Central Maine Power Company does it." He explained it to me in such a way that I felt kind of ashamed that I had gone and taken it up with him.

Q. Also, the first time it ever came up in the Legislature about a move to get it stopped, he got that killed, didn't he?

A. Yes. He has worked against it here and got it killed.

Q. It would be a great help to the State of Maine if we could have, in some centralized way, a method of keeping an accurate

cost accounting record on equipment, would it not,  
Mr. Woodman?

A. Yes, it would.

Q. So that everybody would know just exactly what every  
piece of equipment stood the State?

A. I want to go on record as saying at this time that you  
can do no more good for the State than by putting in something  
over there; I don't know what it is.

CHAIRMAN TOMPKINS: You feel, then, that the Highway Depart-  
ment should be reorganized as to its different divisions?

A. I do.

Q. Different departments?

A. I do.

Q. Have you any suggestion to make how that should be done  
or who should do it?

A. Well, naturally it wants to be a real good man, first,  
with this equipment we are talking about, I think it wants to  
be a real good man held responsible for that, whether he  
should be separate from the Highway Department, I don't know;  
I think there should be a purchasing agent to purchase the  
most of that stuff. There is some emergency stuff, that  
we can't put through the purchasing agent; for instance, if  
a truck breaks down out on the road this morning, with a crew  
of twenty men, why, you can't very well come in to the  
Purchasing Agent and get bids for that particular part.  
But I would recommend that there be a Purchasing Agent for  
the Highway Department for everything that don't come

under the emergency.

Q. I believe you told me that you would dearly love to be free of this purchasing yourself?

A. Yes, I would; if I am to remain on the Highway Commission after this is through, I would work for much less money if that could be worked out over there. The salesmen chase me to the office, they chase me to the hotel; they chase me to the house. I am never clear of them. Of course, you have got a job on your hands, but that is the meanest thing I have over there, the purchasing of the equipment and things of that kind.

Q. Mr. Woodman, at the very beginning of this examination this morning, I believe you made some reference to Mr. Runnells taking care of certain expenditures out of General Funds, which resulted in the saving of interest on bonds for a few months. Now, in the preliminary examination with me, you made a concrete suggestion that it might be wise to change the law in some way, if it could be done, so that the sale of bonds, Highway Department bonds, in such instances could be deferred for a few months; that would be each year, wouldn't it?

A. Yes.

Q. And temporarily the money necessary taken out of General Highway funds?

A. Yes.

Q. And the result would be a saving of interest for a few months' period?

A. Yes, in this very thing I am talking about there, about selling these bonds, my being bothered, how were we going to finance these contracts I had already let out? I found that we could not sell any bonds; I found that we had two million three hundred thousand dollars in the General Highway Fund. I think there should be some statute giving us a right to use that money and save the interest on this million dollars' worth of bonds. I don't think there is any law for it but I find that Mr. Runnells must have done it last year. He financed out of the General Highway fund; he could not have financed from anywhere else; there was no other place. He didn't sell his bonds until August. Right now, at this time of year - our money in the Highway Department accumulates through the winter, - and that is what I found that day. And I got the Governor and Council, I don't know whether - there was some question whether they had authority to do it, but we had to either stop letting the contracts out or we had to get the money; so they passed an order in there for me, allowing me \$300,000 out of General Highway funds; it was not clear whether they could do it or not; but you can't stop on your roads.

CHAIRMAN TOMPKINS: That \$300,000 being replaced when the bonds were sold?

A. When the bonds were sold, of course, that could be replaced. We have a number of things. For instance, the Legislative cuts. They are cutting all the time; they cut

the snow removal appropriation down, \$150,000, last year. Well, now, I know it could not be done for that. What have we got to do? We have got to over-draw. You don't want your roads here - if our money is all spent on snow removal on the first day of February, - you don't want me to stop going over them, you don't want me to stop ploughing on those roads. They have cut some of these appropriations down too low to do the job with.

CHAIRMAN TOMPKINS: How many miles of road do you plough?

A. I would have to get that for you. Of course, we go in with many of the towns. We plough more roads in your own county, Mr. Tompkins; that is where the most of our State owned equipment is, because we cannot hire anybody that has got the equipment that can do that job up there; out of what trucks we have got I think the most of them, two-thirds of them, are in Aroostook County; because the Chevrolet don't do business, and Ford, we have to buy four wheel drive trucks in order to keep you clear up there.

CHAIRMAN TOMPKINS: I would like to ask you one more question; could you, off-hand, give me an estimate of the number of hundreds of miles of road that are cleared of snow in the winter in this State?

A. You mean, cleared by the Highway Department?

CHAIRMAN TOMPKINS: Yes.

A. I would want to come back with it, because I could not tell you now.

(By MR. WEBBER).

Q. Mr. Woodman, you told me something about the situation



on the Carleton Bridge bonds, and will you briefly tell the Committee what you know. There was some correspondence with Mr. Roscoe Bailey on that?

A. Of course, all I can tell you on that I got from Mr. Runnells, then, that was the only place I could go. Mr. Wilder turned his money into the Treasury and it was credited to the different bridges. Mr. Bailey has been very much disturbed, because some of that money was put into some of the banks that were closed and we lost some of the money. The State Treasurer, I think, put it up, some of that bridge money was lost up in a bank in your county, in the upper end there. Mr. Bailey thinks that should be the State's loss and that we should not keep the tolls going long enough to make it up; that is a question for somebody higher up than we are over there, that had to be settled some place, or else keep the tolls going until it is made up; I don't know where the money would come from to make it up. That is the question. It was some money from the Carleton Bridge that was lost in some of the closed banks. Mr. Bailey thinks that is the State's loss and that the bridge should be free. Of course, if the bridge is going to be free, the State has got to find the money somewhere to make up that money that was lost.

Q. If that money in the closed banks had not been lost, would the bridge be free now?

A. Not right now; I have not been over that matter fully with Mr. Wilder but the bridge would be free right off quick.

Q. And if it continues, and the loss is made up out of tolls, have you any idea about how long it will take to get the bridge free?

A. As I remember, Mr. Wilder told me he thought that it was somewhere around the latter part of '41.

Q. Do you know whether Mr. Kunnells got a ruling from the Attorney General's Department as to whether that loss in that closed bank should be made up in tolls?

A. No, I don't. I got that all together and sent it to Mr. Bailey; that is along in the winter some time.

Q. Whose responsibility do you understand it is, to see to the retirement of the bridge bonds?

A. We have always understood it was the Controller.

Q. Not the Governor and Council?

A. No. I can see now that we believed he had more authority than he did have; but too late.

Q. You recall my discussing with you the advisability and feasibility of the Legislature changing the present law, which requires that new construction be allocated by counties? You remember we talked about that?

A. Yes.

Q. And you agree that from a pure point of fact of dollars and cents and efficiency, you would have a much more economical and effective road program, if the restriction were not on there?

A. Oh, they could build a lot more road, than if you go

down in some of these places and build five or ten miles of road; you could build much cheaper than by splitting it up the way we do, but, as I told you, I don't know just how we could do it. Each county wants their proportion of this money. There is no law for it. I think that the law reads "to be expended equitably in each county." Now, we set up, to divide that money, each county, on four factors - population, valuation, road mileage and automobiles registered in that particular county. There is no law for it. It was an understanding among the Legislature when they passed that bond issue, and that is the way it has continued. We could go in and build a long stretch of road and we could build it much cheaper, but I don't know. I don't believe Mr. Richardson would want you to go down into Aroostook County this morning (turning to Mr. Richardson) with your money. (Laughter) You claim something up there. I am going on record as saying that Aroostook County is in terrible condition on their roads; there are long stretches of road all worn out; which was built at a time when there was no base under it, and the heavy traffic has got it all torn to pieces. I don't know where the money is coming from to build roads up in Aroostook County. I was up there yesterday and it is in a terrible condition; and so many miles of it.

CHAIRMAN TOMPKINS: I think we should begin at Ft. Kent and build south. (Laughter)

MR. MacNICHOL: I was thinking of it beginning at Eastport

and going west. (Laughter)

A. Under the division of this money, under the division of Federal Aid money, I think you have about \$200,000 a year; now, under the system we have got, you can't have any more; I am going to say you ought to have three million dollars in Aroostook County today to make it passable up thru that county.

(Conference off record)

CHAIRMAN TOMPKINS: Have you enforced this rule that - in the spring of the year, when the frost is coming out of the roads - have you enforced the rule limiting the load?

A. Yes, we do that some; and while that is in force, I try to keep away from the telephone, Mr. Tompkins, all I can, because they come from all sides.

CHAIRMAN TOMPKINS: Whose duty is it to see that those regulations are enforced?

A. We pass it out - the Highway Commission has that authority - and we pass it out to the State Police.

CHAIRMAN TOMPKINS: And do they enforce it?

A. Some.

CHAIRMAN TOMPKINS: Do they get many prosecutions for overloading?

A. What?

CHAIRMAN TOMPKINS: Do they get many prosecutions for overloading?

A. Yes, they find some; probably one man out of a hundred. There is hardly a truck; there is hardly a pulpwood truck or potato truck, or anything, that could not be held up and

Page 35 missing from original document.

found to be way overloaded. Now, for instance, your pulpwood situation, and that is a matter, Mr. Thatcher, with which you are familiar, that cord of pulpwood weighs 3,000 pounds, on an average, and a Ford truck will have 2 1/2 cords on it.

SENATOR THATCHER: More.

A. Running under a \$20.00 license.

SENATOR LAUGHLIN: Does it lie entirely with the State Police to prosecute?

A. That is, we are supposed to put that load limit on, Mis Laughlin, and we turn it over to the State Police for enforcement.

SENATOR LAUGHLIN: And if they do not push it and prosecute it, the Highway Commission does not take it over?

A. No, we have not; it has all been done through the State Police.

CHAIRMAN TOMPKINS: Have you any means of doing it outside of the State Police?

A. Oh, no, we don't have anybody to do it.

(Conference off record)

MR. WEBBER: You told me something, Mr. Woodman, about the effect of a general rain storm this spring, and something about sanding?

A. Yes, if you people realized what the snow ploughing and sanding has got to be here in the State; it costs almost as much money to sand as it does to plough the snow. We had

a general rain storm, I think that is what I spoke to you about, once this spring, and I was here in the office and called in Mr. Church, who has charge of that, and asked him how much the rain storm was costing us that day, and we figured as close as we could, about a thousand dollars an hour, for the sanding that was taking place, there was some eight or nine hundred men to work; that has all come in lately, of late years. When I first came onto the Highway Commission five years ago, I think we owned three sanders only, men were putting it on with the shovels, but today if there is a hill or anything not sanded, that telephone rings steady all the time with complaints. Of course we have gone along, and we own today 165 sanders. We bought some 30 first and this man Church is a mechanic himself and he got some parts and he is making them himself, he has made these over in the Garage. It costs us about \$135 apiece now, where the sanders we used to use cost us \$300; but we are growing all the time in those things and the public is demanding it. It costs somewhere about a million dollars to plough your snow and do your sanding today. I don't know how you can cut it very much, if you are going to give the people what they are asking for.

CHAIRMAN TOMPKINS: Now, this is a matter of mathematics and perhaps it is not fair to ask it, but, after we have taken out all necessary charges from the gasoline tax and automobile registration money, how much money is usually left

to actually construct roads with?

A. To construct roads with?

Q. Yes.

A. Well, you have got your regular State Aid and third class roads.

Q. I say, taking that all out?

A. Not anything. There is no provision made for constructing road, after you have got all through, you haven't got anything at all; you have got your designated State Highway system; there is not one dollar left, to construct designated State Highways and we have about 1200 miles of it in the State of Maine; we have got something in the maintenance fund; we can maintain but we cannot construct; there is nothing in the law for it at all.

Q. So that all the State road construction must come under bonds issued?

A. Yes; we can't construct anything; outside of third class, State Aid and the Federal money, there are 1200 miles of road that we have not got a dollar to construct with.

Q. Well, there is something left, after these different items are taken out of the General Fund, isn't there?

A. The provision of the statute was that any balances left will go to this Maintenance Fund but that has been continuously cut, cut all the way through. Of course, maintenance means anything that we had the money to do; the \$800,000 that was taken out last year shortened us up that much on tar, new tar, that we would like to be doing, new tarring this



year but we cant. We were spending \$50,000 a year to replace these plank guard rails, because we were getting some bad accidents, where somebody ran into the guard rail and plank; split them; and we have had to cut that out; in fact, we have missed our \$800,000 terribly. We have had to take it out of the road system.

SENATOR THATCHER: Mr. Woodman, does the State of Maine make any money by not tarring the surface of these newly constructed roads?

A. I think the best money that the State of Maine spends would be to take these roads and tar them immediately.

SENATOR THATCHER: After they are finished?

A. Yes; because you let them go two years, and they have gone beyond tarring. I don't think there is any question but what if we could go out this morning and tar 300 miles of new tar it would be the best investment you could make on the roads but you can't do it.

CHAIRMAN THOMPSON: How much would it cost a mile to tar?

A. With our price this year, a mile of new first treatment would cost about \$800 and your next one would cost four.

CHAIRMAN THOMPSON: What?

A. Four hundred. It takes so much more tar for the first treatment it about doubles up. At the price we are buying tar for this year, if we had that money, we could put it on for \$800 a mile.

MR. RICHARDSON: That would include the sand?

A. Yes, that would include everything, Mr. Richardson.

MR. WEBBER: Is the tar more expensive than asphalt, Mr. Woodman?

A. No, I think it is right the other way round, Mr. Webber. We have not used very much of the asphalt; trying it out a little slowly; not jumping into it too much. I think our figures would be just a little more for the asphalt.

(Conference off record)

MR. WEBBER: Mr. Woodman, do you feel that the men in the Highway Department under you are under-paid?

A. Yes, many of them - I think there are many men that are underpaid over there.

Q. I think you gave me some examples?

A. Yes. I gave you the example of four or five young men that come out of college and went over in the Highway Department as engineers at \$21.00 a week. I think they have \$23.00 to \$24.00 a week today. They have remained right there at \$21.00 a week, after getting a college education. That is no way to adjust it, that I know of.

CHAIRMAN TOMPKINS: Who fixes their salary?

A. What?

CHAIRMAN TOMPKINS: Who fixes their salary?

A. Well, we fix it; the Highway Commission fixes it, when they come in there but once it is fixed there is no way to adjust it that I know of. Of course, you can go to the Governor

and Council and get some adjustments once in a while but they have always been very hard on that.

MR. WEBBER: How about shovel operators?

A. Underpaid. We are losing our shovel operators all the time; with a contractor coming right along and hiring them and taking them and paying them more than the State rate is.

Q. You are running a trade school for shovel operators?

A. Yes, sir.

Q. What about inequalities in skilled labor, a good carpenter, say, getting 47 cents an hour, and a poorer carpenter getting fifty-three cents an hour.

A. Yes, that is true; that is where your adjustment of your salary begins.

Q. That raises a definite problem in holding a good organization together?

A. Yes.

Q. Is there anything that can be done about it?

A. Why, I supposed that the merit system would set that up and get it in working order after a while. It has worked along very slowly.

Q. You don't think you could start from scratch and have a complete revision of salary and wages schedule, from top to bottom, right down through, and every man start on a new basis?

A. Why, there is no one that would take that authority, outside of the legislature. I think it should be done; if you want to know what I think about it I think it is all wrong and

I think you are exactly right; we have got men working for 55 cents an hour and men working at 45 cents, and the 45 cent man is the best one, but we can't change it.

SENATOR BOUCHER: What is the reason you can't change it, Mr. Woodman?

A. We would have to go to the Governor and Council with it; we could not very well cut the 55 cent man back; and all we could do, Mr. Boucher, would be to go there and get authority to put the 45 cent man up, and they won't do it.

SENATOR BOUCHER: Now, I am a contractor, and of course I run my own business my own way. I realize that we are not State business; but I hire union and non-union men, both.

(Conference off record)

And I pay a man according to what they are worth to me. Now, I can't understand why the Highway Department isn't run on the same principle. That is, if your foreman on a certain construction thought a man was worth more money, why the better man was not paid more money, and why he was not worth the price.

A. We have always understood, Mr. Boucher, that the Governor and Council has charge of the finances and we have never attempted to raise a man or anything without taking it up with them, and all the Governors since I have been up here having been holding it down instead of putting it up.

Q. You mean to tell me, Mr. Woodman, that for raises of salary of employees you have to go to the Governor and Council?

A. Yes.

Q. How about the pick and shovel man on the road?

A. No, not the fellow on the road; they have never been into that; but anybody around that Garage or over in the office if we want to raise a salary we have got to go up there with it.

Q. Your whole system is wrong, then, and has got to be revamped?

A. Yes, that is right.

Q. I don't believe it is good administration to have to go to the Governor in order to raise any individual's pay - whether clerical or carpenter or laboring man.

MR. WEBSTER: Would the same hold true of the carpenter getting 55 cents an hour, who, because of his lack of interest in his work, that what he is doing is probably only worth forty-eight cents? You would not feel you could cut him down without the consent of the Governor and Council?

A. Yes, I think you could cut that fellow down without the consent of the Governor and Council but you could not put the other fellow up.

MR. RICHARDSON: How did the fifty-five cent man get on, on the start?

SENATOR BOUCHER: I don't understand the situation. You have these men classified by grades of what they do?

A. No; they are not classified, Mr. Boucher; there are blacksmiths over there and mechanics.

Q. How do you arrive at these prices, Mr. Woodman?

A. They were there when I went there, Mr. Boucher.

Q. I understand that; how originally it was done, who has the say of how much a man shall be paid when he comes onto the job?

A. I suppose, way back when they went on that, the Highway Commission had the say; we had, or the master mechanic; there has never been any system over there.

Q. Do you have any <sup>set</sup> price for any certain job, say, so much an hour for a shovel operator, and so much an hour for a truck driver, and so much an hour for a pick and shovel man, and so much an hour for a carpenter?

A. Yes.

Q. and do those prices vary for each class, or are they all alike?

A. That we have handled ourselves. The truck drivers and shovel men, we do. We don't bother with the Governor and Council on any of that outside work. Of course, they are not permanent jobs. A truck driver will go onto one of those tar trucks and will drive until we get through that; he don't continue any further. We do have a schedule of our own there. Every man is treated alike. We could hire a truck driver this morning under the system that I have grown up with there, we could hire a truck driver there this morning, without anybody going to the Governor and Council, but if I had a girl over in the office I wanted to get \$2.00 more a week for, I would have to go to the Governor and Council with it.

SENATOR BOUCHER: Let me get this straight in my mind. On permanent employees you go to the Governor and Council?

A. Yes.

Q. And on seasonal employees you use your own judgment as far as pay goes?

A. Yes; and we have a schedule we go by; so much for the fellow that is shoveling sand on the road; so much an hour for him; so much for your truck driver; and so on; for that part of it we don't go upstairs. We have our regular schedule of wages.

Q. Do you pay compensation or social security on these employees?

A. No.

Q. But you have a compensation system of your own?

A. Yes, we have one of our own; if a man is hurt with us, it is taken care of out of the General Highway Fund.

MR. WEBBER: Suppose you did some of these things without taking them up with the Governor and Council that you always have taken up with the Governor and Council, what do you think would happen?

A. Well, they pass on the salaries up there and if I did something they didn't approve of, they could stop it.

Q. Do you mean they could refuse to sign the warrant for pay?

A. I have never had anything of that kind, Mr. Webber, because, when I have wanted to get some raises in pay or anything I have gone in there and talked with them, and if I could

get them, all right, and if I could not get them, all right.

SENATOR BOUCHER: In reality the Governor and Council run the Highway Department and you are just an employee under them?

A. Financially, Mr. Boucher, that is right.

SENATOR BOUCHER: That is a great set-up.

MR. McNAMARA: In other words, Mr. Woodman, there may be two girls working in an office and one is getting \$18 a week and the other is doing the same work and getting \$25.00 a week.

A. Yes, and I have it, Mr. McNamara.

Q. That is, if the girl getting \$25.00 a week knew a Councilman, she could get a raise?

A. Why, yes. There has only been, in my five years over there, I don't think there has been more than three raises since I have been over there, Mr. McNamara, I have recommended them myself and they have gone through with the Governor and Council.

CHAIRMAN TOMPKINS: You don't know how many employees you have in the Highway Department under cover?

A. No, I would have to get that record.

CHAIRMAN TOMPKINS: How many do you think?

A. Oh, it would only be a guess. I should think, Mr. Tompkins, 150. I would get it for you, if you want it.

CHAIRMAN TOMPKINS: I think we might like to have it.

SENATOR BOUCHER: Does that mean permanent employees?

A. Yes.



MR. WEBBER: Now, in relation to the hiring of new men, Mr. Woodman, to what extent do you think political interference affects State efficiency, in the Highway Department.

A. I don't think any, Mr. Webber. I can explain that more. There has never been very many changes since I have been there. Mr. Wiggin retired on pension a little while ago. Mr. Church was his assistant. The third man was Mr. Doherty. I asked for a promotion of Mr. Church to Wiggin's place, and Doherty to Church's place. It readily went along. I recommended it, and it went along; the salaries were changed that way. Now, outside of that, I don't know of any changes that have taken place in the five years that I have been there, that amounts to anything.

Q. As I understand it, there has been more or less of a practice and policy that if a man has previously worked for the State, he can be hired in by a Department head without consulting anybody about it, but if he has never worked for the State before, it has to go up to the Governor and Council?

A. No - you mean you are speaking of the common laborer? No, that is hired, most of our men are hired by Mr. Church in the Maintenance Department; for instance, the tar crews are out right now; they are probably employing 500 men; a large part of them are the men that you see covering this tar; that are spreading it; that class of men will work this summer. They will be let go when we get done tarring; but

they feel it is their job, and next year, if they are available, the same ones can go back; if someone falls out, Mr. Church takes them on; once in a while he speaks to me and asks if I have anyone in particular in mind, but most of the time he goes along and hires these men, as they come along. I might say that there never is a time when there is not a thousand applications over in our office for labor. I spend much of my time answering letters and interviewing people that want work. It is terrible over there.

SENATOR BOUCHER: What is your hourly rate for common labor, so-called?

A. I would have to get that for you, Mr. Boucher. We board those fellows that travel along; I think they get something like \$21.00 a week and their board but I would want to make sure.

Q. How many hours a week do they work?

A. They take advantage of the weather.

Q. I understand that.

A. Rainy weeks they don't get very much and then they make it up when the sun comes out again, if they work a little later or something.

Q. What I am trying to get from you, I understand the average work day is ten hours a day?

A. I think they do; we take advantage of all good weather we get because we like to hurry this job as much as we can and pay them accordingly.

Q. That would be natural. Mr. Woodman, is there anything to this rumor that the party affiliations of these employees enter into the picture of their employment or not? Now, of course I have heard these rumors that if they belonged to a certain party they could get employment and if they belonged to another party, that they could not.

A. There is nothing to it at all, Mr. Boucher. It never enters our mind, whether a man is a Republican or a Democrat; we take those men as they come along. Of course, it is like everything else, politically; well, there are people that are trying all the time to work politics to these things in labor; we have got thousands of men out of employment here; but we are doing the very best we can with them, all the time. I think when you go over the Highway Department, you will find not very much politics in it.

CHAIRMAN TOMPKINS: If there were, we would not get any work done up on the St. John River, at all, because they are all Democrats. (Laughter)

MR. NOYES: Democrats - and Germans. (Laughter)

SENATOR LAUEHLIN: Of course, this Motor Transportation Division existed before you went onto the Commission?

A. Oh, yes.

Q. Did you learn about it by investigation at the Garage, or how? There is no legislative authority for it, so where did you find out about it?

A. Well, I didn't know very much about that until this trouble came up, Miss Laughlin, if that is what you mean.

Q. So you knew it existed?

A. Oh, yes, I knew it existed.

Q. Did you get that information from Mr. Runnells?

A. No, I talked with Mr. Barrows some and Frank Marston, our old mechanic. Of course, I understood that Mr. Runnells had charge of it; had charge of everything.

Q. You didn't mean to say, when you spoke about \$400,000 being taken from that department, that it was given to departments outside of the Highway Commission, did you?

A. I think so. I think back that you will find - do you know what year that was, Mr. Tompkins?

CHAIRMAN TOMPKINS: '33.

A. The Legislature could not agree.

SENATOR LAUGHLIN: Yes, I remember.

A. And the money, they voted the Governor and Council power to transfer from one to another, and I think that money went in all departments.

Q. The statement has been made here that that \$400,000 was given back on State Aid roads to the towns and therefore was practically never taken out of the Highway Commission funds as a whole. What have you to say to that. Is that correct?

A. It was before I went onto the Highway Commission but I don't think that is correct. I don't think that money ever come back. I have never understood it did.

Q. If there are no questions further about the Highway

Department, I want to go back -

CHAIRMAN TOMPKINS: What?

SENATOR LAUGHLIN: I say, if there are no further questions about the Highway Department -

CHAIRMAN TOMPKINS: Yes, there are.

MR. WEBBER: Mr. Woodman, you remember that I asked you if you thought that the Highway Department could profitably save somewhere around \$1500 a year by eliminating all newspaper advertising, if the Legislature would pass a law to that effect and your idea was that you would not recommend that?

A. No, I don't think I would. I think the more business we put on those jobs, and they watch the papers and things, that we save that \$1500 many times.

Q. You remember that I asked you how the business of purchases by Blaine Viles from the Highway Garage stock began and you told me something about that. Can you recall that?

A. I never knew that Blaine Viles was purchasing from the Garage up until I read it in the paper. I went and asked Mr. Viles about it, how he happened to be purchasing from the Garage, and he said he had a right to. I asked him if Mr. Runnells had told him that he could purchase from the Garage, and he said "No," that he had a right to purchase from the Garage, and I said, "Where do you get the right, since you were a member of the Governor's Council," and he says, "Well, I am on the Planning Survey and I am a Fire Warden," he says, "I am a State employee," so that was all.

CHAIRMAN TOMPKINS: Did he say that his purchases were necessary in his employment as a State official; that they were necessary in his employment as a State official?

A. No, that was all the talk. When I read it in the paper I went and talked with Blaine Viles myself and asked him how he happened to be purchasing.

Q. Does he get any pay on the Planning Survey? Not as a fire warden, but does he on the Planning Survey?

A. Not anything.

Q. He is an employee without pay.

(Conference off record)

Q. How often does that meet?

A. I think we have had two meetings.

Q. In how long a time?

A. Let's see, the Legislature passed that law two years ago. I think we have had two meetings.

MR. WEBBER: Did Mr. Viles attend the meetings?

A. Yes.

Q. Were you aware that people went over there to the Garage on occasions, and got purchases, and had them shipped to someone else?

A. No.

Q. And has that come to your attention since this thing came to light?

A. Yes.

Q. Have you had any talk with anybody about that, and how it happened to be done?

A. No.

Q. Had it come to your attention that Councillor Fernandez

had things shipped to Arthur Crafts at Greenville?

A. No.

Q. I believe you told me that you felt it was definitely a good thing to get rid of this selling to State employees and others, and you would not want to see it come back?

A. No. I would not. I think it is all wrong; I always thought it was wrong

SENATOR LAUGHLIN: You said, a minute ago, didn't you, that you considered a member of the Council a State employee, since you asked Mr. Viles how he was employed since he left the Council?

A. Yes.

Q. Would you consider a member of the Council a State employee, on the basis of having bought from the Highway Garage?

Or a member of the Legislature?

A. That opens something new. I don't know as I could answer that or not.

Q. Would the Highway Garage recognize a member of the Council or a member of the Legislature as a State employee, entitled to buy there?

A. I know that the members of the Council all did use that privilege and always did it since I have been there, and I did consider them as State employees.

Q. Do you know of any member of the Legislature that used it?

A. I can't recall of any.

Q. If they did, would the Highway Garage recognize them as State employees; would it have done so in their selling,

as State employees.

A. I will have to come back again, Miss Laughlin, to the fact that Mr. Runnells regulated that. He was the fellow that passed on those things. It is too late now but I have got to acknowledge it.

Q. He passed on the question of who were State employees?

A. Yes.

Q. He passed on Mr. Viles as a State employee, did he?

A. I can't say whether he passed on that. What Mr. Viles answered to me, when I read in the paper he had a right to purchase, that he had a right to purchase as he continued to be a State employee as a fire warden and as a member of the Planning Survey.

Q. If Mr. Runnells passed upon them, he must have passed upon him, then?

A. I think he did over there, I think the men that was there I think he told them who to sell to and who not to sell to.

MR. WEBBER: Mr. Woodman, I believe you run into a problem in connection with your hold-backs on contracts. I am referring to the usual 12 1/2 per cent hold back, and particularly where there is a dispute between the contractor and the supplier as to whether he owes him money or not?

A. Yes.

Q. You have had a ruling from the Attorney General's office on that?

A. Yes.



Q. Do you think it would be wise for the Legislature or someone to establish that thing on some definite basis, so that you would know exactly what you are supposed to do?

A. I do. I think there should be a time limit on it. We have got some cases right now where we have got money held up from the contractor, and they don't bring suit, and the money is still there. I think a year's limit would be plenty, that we would hold that money from the contractor. Then, if you have got a claim against a contractor, you should bring it into court or settle it, and a year is enough.

CHAIRMAN TOMPKINS: You are under no obligation to hold it back?

A. Well, there I must go back to custom again. If you file a claim against a contractor, and we will notify him that it is held up, and that he must adjust with you, or we will continue to hold the money.

Q. There is no legal justification?

A. I don't know that there is.

SENATOR BOUCHER: You have bonds from these contractors?

A. Yes.

Q. Wasn't that bond responsible?

A. That is in the final settlement; if we paid that over, paid the money over, the bonding company would not come good for it; it is an understanding with the bonding company that we will hold over.

SENATOR BOUCHER: You could get a wide open bond, a special bond.

(Conference off record)

A. I have never looked into that statute or whether it was just a custom, but I know if you file a claim against some contractor this morning, we hold out that money and inform him that you have filed a claim; it acts just the same as a trustee.

SENATOR BOUCHER: Not according to law?

A. I don't know.

Q. That is a custom that you have?

A. It is a custom; when I went into the Highway Department I simply followed along.

Q. Because as I understand it, you can't lien against the State, anyway.

MR. WEBBER:

Q. In conclusion, Mr. Woodman, and just to revert for a moment back to one thing that we discussed previously, you will recall that I asked you if, for example, the Governor exerted any influence to see to it that Friend & Friend got three of the shovel items in 1940? I believe you said to me "No, he didn't ask me; he didn't force that question," and then you said, "I have known the Governor was friendly to Mr. Friend but he didn't ask me to buy Lorraine shovels."

A. That is it.

SENATOR LAUGHLIN: Were you influenced by your knowledge of his friendship with the Governor in buying from him?

A. No, the contractors, many of the contractors, buy the Lorraine shovel. I have noticed them along the road; and again I may have been wrong not to stay with one line of shovels, but I believed it was good to keep them split up more or less. The Lorraine shovel is a very good shovel. I do know that Mr. Friend was very friendly to the Governor but I can't say that it has ever had an influence on my buying the shovels.

SENATOR BOUCHER: Mr. Woodman, can you tell me how much the cost per mile is for that asphalt tarring, such as they are doing now between Lewiston and Portland?

A. No, I would have to get that from my engineers. I should want to bring it over to you.

Q. That is much more expensive than regular tar work on the road?

A. Yes; that was the question we brought up; I think the asphalt costs more than the tar does.

Q. You could not say off-hand what the difference is, whether it is twice as much or three times as much?

A. No; I would have to send you one of my engineers, or get the information and come back with it.

Q. Back in 1935, Mr. Woodman, I understand that an award of asphalt was not made to the low bidder; do you know anything about that?

A. Of asphalt?

Q. Yes.

Did you look that up, Mr. Webber? You were going to look into that.

MR. WEBBER: No, I haven't. Mr. Ryan has a note of that.

A. Will you give it to me, Mr. Ryan, so that I can look it up?

MR. WEBBER: Yes, I will have Mr. Ryan check with you.

SENATOR BOUCHER: Can you tell me who Mr. Joe Williams represented, in 1935, in his dealings with your Commission?

A. Who he represented? No, I cannot answer that.

Q. He has done business with the Commission, hasn't he?

A. Yes; he builds some bridges; he contracts on these roads and things; I don't recall that he has sold us anything in the way of material.

Q. What I am driving at is not contracts, but has he sold any materials to the Highway Commission?

A. Do you know what time that would be, in 1935?

Q. No, I don't; but I will ascertain over the week-end when I go home.

A. Well, I would be glad to look that up for you, Mr. Boucher. They got some of that asphalt in just before I came on the Highway Commission. They had trouble with it up in Skowhegan. It was very slippery; and a car upset and killed somebody and the sheriff went up there to investigate; and he slipped on it and upset his car; and that was one of the reasons that since I went over there that there has not been very much asphalt bought to go on the roads. I never got over that.

Q. Can you tell me, off-hand, about how much money is involved in your buying, every year?

A. Well, I could only guess at it, without getting you

the record. I would say two million dollars.

Q. Two million dollars.

A. That may be off quite a lot but I am taking the tar and everything that goes with it; I would say two million dollars.

Q. Shovels and trucks, and so forth?

A. Yes.

Q. That is all.

CHAIRMAN TOMPKINS: When did you first assume your duties on the Highway Commission?

A. 1935, May 1st, 1935.

Q. Who was your associate at that time?

A. Paul Thurston.

Q. Were there only two members?

A. Yes, for two years.

Q. And at the present time how many members are there on the Commission?

A. Two.

Q. Is Mr. Tibbetts still on the Commission?

A. Mr. Tibbetts is on the Commission but Mr. Tibbetts' health is very bad; he is running a blood pressure of 200 to 225 and I save him all I can. At the present time I am doing about all the driving.

Q. Do you spend most of your time in the office or on the highways?

A. Oh, on the highways; I have a great deal of travel; and the bridges that we build, the hearings must be held at the

bridge site - the land damages. I plan on being in the office every Wednesday; that is the day that the Selectmen and everybody comes there; it is generally understood that I will be there Wednesdays; the rest of the time, I am out on land damages, bridge hearings, and looking over contracts and things like that; there is a great deal of variety. For instance, I had to drive to Lincoln the other night, in order to get back here today; I drove up there in the night to get back here last night.

Q. And you say your duties are principally supervisory?

A. Yes.

Q. And you have nothing to do with the detail of the business?

A. No; I depend on my men with the detail.

Q. And you have how many hearings, would you say, in the course of a year?

A. Oh, it would only be a guess, I would say about two or three hundred. There are days in the office that there would be fifty Selectmen that are calling there, for this thing or that, change of the State Aid designation or Third Class, something of that kind; there are days I will have fifty men over there to interview.

Q. Do you have to go and view the State Aids and third-class road construction, when they wish to change the locations?

A. No. I send my State Aid man, Mr. Weymouth, and through the supervisor, I take their recommendation on it, in all

cases, we follow the Selectmen's advice on those roads, unless there is a dispute from the citizens of the town. If they cannot agree, I will ask them to hold a special town meeting, and, as a last resort, I take that. We do business through the 500 or 1500 Selectmen as long as they agree, but we get many disputes, where we will get two hundred or three hundred people there file in the office; and in that case, we ask them to hold a special town meeting, and, as a last resort, we follow the advice of that special town meeting.

Q. How are you operating it on land damage, where you are the only member of the Commission available?

A. It is generally understood with Mr. Tibbetts that he will go along with me; that whatever I do that he will go along with me.

Q. It goes back to your own judgment at the present time?

A. Yes.

Q. What do you do with your old, used and discarded machines?

A. They are traded in, when we can. We have some shovels that get beyond where they are any use to us at all. And it is the custom, - when we took it up with Mr. Thurston, he said we traded it in or sold it, and took the word or recommendation of the master mechanic as to what it should be. Now, in the last shovels, the Bay City people took three of those shovels in; they won't all do it; he has always been ready

to do it; allowed us something like \$700 I think as a credit on new shovels, \$700 apiece, I think, \$2100 on the three; they won't all do that. He has always done that; takes them off and sells them to a town or somebody who can fool along with it; I have never felt it paid for the State to fool with them.

Q. How much do those shovels cost new?

A. They cost between \$6,000 and \$7,000.

Q. About what is the life of a shovel?

A. Five or six years; it depends on the usage; how hard you have given it to them.

Q. Is there any other material, discarded material, that you have not spoken of?

A. Yes, there is a lot of junk that gets beyond any good at all and it is understood they will take bids on that and get what they can, to these junk dealers.

Q. They put it out at bids, do they?

A. Yes.

Q. What becomes of the old, used and discarded tires from the trucks and automobiles, do you know?

A. I suppose they go to the junk dealers; that is another thing I would have to get a record on.

Q. Would that be handled through the State Garage?

A. Yes.

Q. And would they keep any record of that?

A. I think they have got a record of all that.

SENATOR LAUGHLIN: How much do you get for discarded steam



shovels?

A. About the average is six and seven hundred dollars each and I was just saying that the last three we had we traded in, I think we got \$700 each on them, as allowance on the three Bay City shovels; some of the shovel concerns will take those old ones in, in exchange, and give us allowances, and some of them won't.

Q. What kind of work are they used on, these discarded ones? I am just wondering, if they are no good to the Highway Department, how much good they are to anybody else?

A. They will sell them to a contractor or someone who has got a small job that he could spend some time on it; but if we are out on the road with twenty men waiting for that and we get a breakdown for an hour or two it is very expensive, where a contractor, working along with himself and a few men, he would get a little something out of that but I always felt it was very expensive for us to keep them after they had gone too far.

CHAIRMAN TOMPKINS: Just like an old automobile, you have to begin to pay for repairs?

A. Yes. And of course the point I want to bring out, you have got a crew of men waiting and when a shovel breaks down they have got to go and sit down.

Q. Do you think, Mr. Woodman, a one man Commission would be better and more economical than a three man Commission?

A. No. I think there is too much to do for any one man

over there. I have had a sample of it lately.

Q. How do you divide the work up, when you have three men?

A. Well, if we had three men - for instance, that trip I made there up in your own county (addressing Mr. Tompkins) last night, I would have got two of the other men to go and I would have stayed in the office; as it was I had to stay and then go up there myself.

Q. Would you think that the Chairman of the Commission ought to devote most of his time to the office?

A. Yes, I think the Chairman of this Commission should be in that office the greater part of the time. I have been there, since I have been there for five years I have probably put more time in over in that office than anybody ever did before me but that don't make any difference; I just did it myself.

Q. How many days of the week are you devoting to the office?

A. With my traveling back and forth to my home and everything, usually about five days a week.

Q. So you are putting in more than a forty hour week, are you?

A. Yes. And I don't get out of it when I get home. I have the local selectmen around every Saturday and Sunday.

Q. It is a twenty-four hour job?

A. That is what it is.

Q. Whether you are putting the time in at the office or out on assignments?

A. Yes.

Q. And it does not give you or either of your associates actually sufficient time to make a thorough supervision of the Department here?

A. No.

Q. You have to depend entirely upon your subordinates?

A. That is it.

Q. It does not really give you the time to check up that you should have?

A. No.

SENATOR LAUGHLIN: Do you think that there would be an improvement - don't you think that it would be an improvement, for the Highway Commission, whether it was a two or three man Commission - if they had complete power in their own Department, and that the interference of the Governor and Council as to purchases or where roads would be built, should be cut right out?

A. Yes, that is right.

SENATOR BOUCHER: What is the salary, Mr. Woodman?

A. Thirty-five hundred dollars.

Q. That is plus expenses?

A. Yes.

CHAIRMAN TOMPKINS: Is there anybody else who has a question?

MR. THATCHER: How long has it been just a two man Commission? When did the other member step out?

A. The first of May, I think it was -

Q. Do you know any reason why the vacancy was not filled?

A. No.

Q. This is your busy season?

A. Yes.

Q. The time that you should have a full board?

A. Yes.

CHAIRMAN TOMPKINS: A member of that Commission should be fairly active physically, should he not?

A. Yes.

Q. So that younger men would be more desirable, perhaps?

SENATOR THATCHER: Well, now, Mr. Woodman, (Laughter) would you answer that frankly?

A. I don't know. I would hesitate, I think.

SENATOR THATCHER: This is getting pretty close.

CHAIRMAN TOMPKINS: I don't call you an old man, Mr. Woodman.

A. Well, I am getting along to a place where I can't be called a young man much longer.

CHAIRMAN TOMPKINS: Let's put it this way, then. Wouldn't you say, then, that a man on that Commission should be in good health?

A. Yes.

Q. It is a hard job?

A. There is plenty to do on the Highway Commission, much more than most people realize.

Q. The hours are irregular?

A. Yes.

Q. And your meals are irregular?

A. Yes. It is like all of these appointments, if you can

take them and put in as little time as you would want to, it is all right; I have never been made up that way; I have got to do a job the best I can or I can't do it at all.

Q. I think the members of your Commission at the present time and the past members have felt a good deal that way, haven't they?

A. Yes.

Q. So far as their health would allow them to operate?

A. Yes.

MR. RICHARDSON: I would like to have a little more information as to how the bids are handled on a road job; how the prices are determined?

A. Our engineers figure out what that job should cost, Mr. Richardson, and it is set out, so much for removing gravel and so much for stone cut, and things like that, and it goes out to bids. If it is too high, if the bids are all too high of what our engineer thinks it can be done for, we don't accept them; if it is within his estimate we take the low bidder.

Q. If they should take a mile at \$50,000, say, and strike something that really involved \$60,000, does the contractor take the licking or does the State?

A. The contractor.

Q. The contractor.

A. He takes the licking. That is all figured out; so much

for stone cut; so much for earth excavation, and so on. After he takes that, we take a bond from him and he must go through. And sometimes you strike more rock than what was estimated; we pay a different price for rock than we do for earth; but it is all figured out in the bid we make. But if it is all figured out, and then it is too low, that is his fault; and in the five years I have been here I have seen one or two contractors go broke on taking jobs too low.

(Conference off record)

SENATOR BOUCHER: It is just that the State has estimated the cost of that certain quantity?

A. That is it. We have got our roads, the last few years, we have had a lot of contractors, in many jobs in other states, and we have got our roads very cheaply here.

CHAIRMAN TOMPKINS: In building these roads, where you have Federal funds, who writes the specifications for those, the State Highway Commission?

A. Yes, our Construction Engineer, Merrill, over there writes them but I will say that the Federal government tells us about how we will do things. They will give us fifty cents on the dollar and they will take charge of the work afterwards and tell us just what to do and all about it.

Q. Do you have a Federal representative in your office?

A. No, he is down here, though; he is here in Augusta;

he goes over these roads all the time.

Q. Do they make any inspection of the roads after they are built?

A. Yes.

Q. And do the roads have to meet with their approval before they are accepted?

A. It does; our secondary money and the whole of it, I sometimes wonder whether we couldn't take our fifty cents on the dollar and do this work and go along with it just as well as taking their money. They are awfully particular about cutting a little corner and cutting a little grade, and I tell you, we spend a lot of extra money on it, and we have got to do it in order to take their money; - if we don't - they have got a man by the name of Bruce; and he will say then "Why don't you go along, Mr. Woodman, and we won't participate," he don't fight with you; he just simply draws out.

CHAIRMAN TOMPKINS: Do you think that the Federal government is right in making their requirements, especially in northern Maine, taking into consideration the severity of the winters up there?

A. No, I don't think they are, right in your section; I think they are going too far with us, but I don't know how to change it.

Q. In what way do they go too far?

A. Well, I was there yesterday, and on a little knoll in the road they insist that we cut it off and widen the road,

and I think probably some twenty-five years from now . . . we may need it but it will be twenty-five years before we need it and it will cost us, oh, I am going to say seven thousand dollars more for that road, to do it the way they want it from the way I would do it myself.

SENATOR LAUGHLIN: Do they interfere with where you lay out roads, as well as the type of construction of the road?

A. Well, we will lay it out, but after we lay it out, how we will build it.

Q. That lays entirely with the Highway Commission. That cut-off from Richmond, that is entirely with the Highway Commission, with the Federal government it is only the type of construction?

A. Yes. On the secondary money we are using, they have got certain roads laid out. They won't let us use the money on - if anybody wanted a direct line somewhere, where there was a continuous farm to market line ; for instance, we laid out two pieces of road in your county, and they would not accept it; we had to change and go somewhere else.

MR. RICHARDSON: Secondary Federal aid?

A. Yes. As I say, the Federal money that we are getting, they are taking one cent of our gasoline money, of course, we cannot stop that; they would take it anyway; which amounts to something like fifteen hundred thousand dollars. They are giving us back this year about twelve hundred thousand.

Q. About twelve hundred thousand?

A. Yes, that is about what we are getting from the Federal



government this year; they are taking \$300,000 more with that one cent than they are returning to us, on grade crossings, secondary money and Federal Aid, let's see - ten, twelve, thirteen, - about \$200,000 more.

CHAIRMAN TOMPKINS: Is there more or less divided authority in your department would you say?

A. No, I don't think there is any divided authority.

You mean among our men?

A. Yes.

A. Oh, yes, we have got Mr. Church, of the Maintenance Department; we have got Mr. Wilder, of the Bridge Department; and we have got Mr. Weymouth, of the State Aid Department; and Mr. Barrows over all three of them.

Q. Their duties do not overlap?

A. No; no.

MR. MacNICHOL: Mr. Woodman, on this cost of roads in Maine, in the State of Maine, I have heard, and it is just hearsay anyway and probably you could clear it up but I understand that our roads in Maine, the cost of roads, finished roads, as compared with New Hampshire and Vermont is a good deal higher?

A. That is not true. Between the cost of our roads and Canadian roads, the cost of our road is higher than the Canadian road but it is a different road, Mr. MacNichol; there is a base under it.

Q. How does Maine compare with New Hampshire and Vermont;

you would have nearly a parallel situation there?

A. About the same; of course, different classes of road cost different prices, and you get into rock cut and that is going to cost a whole lot per mile, but, as to New Hampshire and Vermont, we build our roads just as cheap as either one of them; but we don't build them as cheap as Canada builds them, but we are not building the same kind of road, and I don't think if we built the same kind of road that they are building over in Canada that it would stand up at all for us; I don't think it would stand us at all.

SENATOR LAUGHLIN: Are most of the roads rock? Instead of rock have you any roads in Maine of what you might call earth, and things of that sort? I mean, are there any roads that would be free of rock, that you don't have to take rocks out of?

A. No, they are practically all rock.

( Conference off record )

Q. That was the reason I asked that, because I know in the Southern states they build roads very cheap, good roads, but it is useful only on roads that are without rock underneath.

A. We would not get but very little of that in the State of Maine. There is hardly any place that we go that we don't run into rocks.

Q. It has worked out very well in the southern states, I know; they build roads very cheaply.

A. Yes, but I don't think that it would work here.

SENATOR BOUCHER: How deep do you go if a base is used?

A. It depends on the soil; if getting in a swamp, of course,

you go two feet sometimes with that rock and heavy cross material; it all depends on the soil; the engineers figure that all out.

CHAIRMAN TOMPKINS: Any further questions?

SENATOR LAUGHLIN: If you are all through on the Highway, I would like to ask Mr. Woodman a question. I think you said, Mr. Woodman, that you came to the Highway Department from the Liquor Commission?

A. Yes.

Q. When were you appointed to the Liquor Commission.

A. I was appointed when the beer first came in. That was '32.

CHAIRMAN TOMPKINS: '33.

A. In '33.

SENATOR LAUGHLIN: Appointed by Governor Brann. I think you stated you got out of that because you were afraid of trouble and the possibilities of graft.

A. I wanted to get over where it was all smooth sailing.

Q. Can you state to us what you observed or encountered that made you believe there was graft in the Liquor Commission administration?

A. Yes; I don't know but what I can tell you. I had a man come to me, after I had been on there a short time, and he told me a man wanted to see me in the Augusta House, and I asked him what he wanted, and he told me the first time that he didn't know; the next time I saw him, he still told me a fellow wanted to see me, and I asked why that fellow didn't call

me or why he didn't come to the office, and he says, "He wants to talk over this liquor business with you." I said, "Why don't he come to the office?" And he says, "No, he wants to see you at the Augusta House." I said, "You tell him to come to the office; I am not seeing anybody at any room in the Augusta House concerning the liquor business." And I pressed him a little further, and I said, "Just what is it he wants?" And he said, "You have not got very much money to do business with." The Legislature had appropriated \$250,000, I think, and he says, "He has got \$50,000 that he wants to let you have to help you along with this liquor business." That was about all there was to it. I told him to tell the man to come to the office and I would be glad to talk it over with him, but not at the Augusta House; for him to come in and talk it over before the other Commissioner; and so he didn't come. I just thought that the \$50,000 was not to help out the State but was just to help me out, Miss Laughlin.

Q. Who is responsible for the establishment of the system, which I believe is still in force, of refusing to buy from the regular salesmen of the liquor sellers, wholesalers, and manufacturers, and insisting on employing men from this State?

A. That all came in after I left; I can't answer that question.

Q. That was not the system while you were there?

A. What time I was there I bought from everybody; I bought for that purpose, so that no one would think otherwise.

Q. From the regular salesmen of the companies?

A. Yes.

Q. For instance, the Canada Dry people, I believe, kept out of this State for two or three years because of the refusal to buy from their salesmen and insisting on men from this State?

A. That has all come in since I left there.

Q. That is since your time?

A. Yes; I bought from everybody; and I know the first order I ever put into the State stores, my instructions was, when we were making out the order, was to split it up, because I am very strong on that, on splitting those things up.

Q. It didn't make any difference to you, you bought from the regular salesmen of the companies, if you wanted to?

A. That is right; no, I never interfered with them at all. It didn't make any difference to me.

CHAIRMAN TOMPKINS: Do you know, Mr. Woodman, whether it is the practice of other states, where they have state stores, to buy direct from the manufacturer?

A. I can't tell you, Mr. Tompkins. I haven't given that any attention since I left there. I know when I first set up these liquor stores that there probably was three hundred different salesmen for as many different kinds of liquors; of course, there was the large houses. And I went over to New Hampshire, to find out about what they were doing and what they were stocking, and then I came back here and bought it; but I guess I had too many salesmen; I guess there were too many salesmen; I guess there was too many I bought from and too many numbers on the list.

Q. Do you remember how many numbers there were on the list?

A. I think it was three or four hundred. I know I was cutting it down before I left there, and telling them on my Commission that we was carrying too many different kinds and that we must cut it down, and I was gradually doing that before I left.

SENATOR LAUGHLIN: You didn't get any interference with where you would purchase while you were there; you controlled that entirely?

A. Yes. I didn't get any interference there. I got interference with the hiring of the help in the different stores; they was recommended mostly by the Governor and Council at that time. The thing that bothered me a little, and I went to Controller Runnells at that time and told him that was the part of setting up the Liquor Commission that bothered me, - that was the taking care of the finances. He didn't ask me to build up my system but I invited it and I asked him to help me at the time. I asked him to help me set up that financial system down there which is in the liquor store now. No, the orders to buy from Maine men, that all came in after I left there. There was nothing of the kind when I was there. Anybody that came in, I bought their liquor if I wanted it.

MR. MacNICHOL: On this \$50,000.00 that this individual wished to put in business in the State of Maine, I would like to ask you how that possibly could be taken care of or given back?

A. You see, Mr. MacNichol, I was pressing the thing too hard, and that was a way out; that money was meant for another pur-

pose; I knew what it was meant for; but, don't you see, when I was pressing it too hard, refusing to see anybody in a room in the Augusta House there, that was a way out; by saying I didn't have money enough, that the State had not appropriated money enough; that was a way out.

Q. You think that that man thought that he could make rather a comfortable spot for himself, if he wished?

A. I felt, Mr. MacNichol, that \$50,000 was there for me, if I wanted it; that is what I felt about it; but it didn't get that far, you know; I refused to see the fellow and I didn't want the money to come that way; and I didn't want the job, because I thought it was more or less troublesome or that it would be.

SENATOR LAUGHLIN: In other words, it was not to be put into the business, is that it? It was just to influence you to buy?

A. That money was to influence me; that was to have been for me; that was for me to buy most of the liquor from that concern.

CHAIRMAN TOMPKINS: Do you know what concern it was?

A. No, I never knew; I never really knew.

Q. You think if a bona fide offer, he would have put up the \$50,000?

A. Oh, yes. With the amount of liquor the State stores are buying, any concern, of course, could well pay \$50,000 to get the business.

Q. Were there any offers of cases of liquor to the Commission, while you were there, any gifts?

A. There was liquor sent in once or twice and I ordered it out; I would not accept the gifts. .

Q. Do you know of cases of liquor being sent to members of the Governor's Council?

A. No; I would not allow them to leave the samples when I was down there. I was probably too fussy when I was there.

SENATOR BOUCHER: They were samples, not gifts?

A. They would send them in, but I instructed my warehouseman, who was Waldo Seavey at that time, not to accept them, only just our orders.

SENATOR LAUGHLIN: During your incumbency, did Mr. Runnells have anything to do with the purchases of liquor?

A. No.

Q. Nor make any recommendations to you of what purchases to make?

A. No, he had nothing to do with that, with any of our arrangements for the purchasing of liquor; he made no recommendations as to what we would buy.

Q. Nor any recommendations from any other state officials?

A. No.

SENATOR BOUCHER: Who were the other two members of your Commission, at the time that \$50,000 offer was made; who was serving then?

A. Louis Flemming and John Coutoure, from Lewiston.

CHAIRMAN TOMPKINS: Did you have for a time, did you have somebody who was a General Auditor there in the liquor business?

A. Fred Berry, I think. Runnells designated Fred Berry



as the General Auditor.

SENATOR LAUGHLIN: Were the returns for the receipts made to Mr. Runnells or the State Treasurer?

A. That was for the State Treasurer.

Q. You returned your money to the State Treasurer?

A. Yes, the local stores put it into the bank there but it was at the credit of the State Treasurer.

Q. I understood later that money was sent direct to Mr. Runnells?

A. Yes, that was I think from the store down here, at the warehouse; I think that was sent up here directly to Mr. Runnells.

Q. But all receipts in the liquor stores, I mean money receipts, were sent to the State Treasurer?

A. Yes, outside of the store that was run down here in the warehouse. We run a store down there.

Q. That went to the Controller?

A. Yes.

SENATOR BOUCHER: That store at the warehouse didn't sell liquor to individuals, did it?

A. No, it sold to the hotels and places like that; they could come in there and put in their orders there; and quite a lot of money was taken in there, and that was turned over to Mr. Runnells.

CHAIRMAN TOMPKINS: Are there any other questions?

MR. WEBBER: Had Mr. Root been quite efficient, as he worked under you in the Liquor Commission?

A. Yes.

Q. Was it your suggestion that he be transferred to the Highway Department, to take Mr. Guest's place?

A. Yes. I thought that Mr. Root was a real good man, and wanted him over there.

Q. That was your suggestion, primarily, and not Mr. Runnells?

A. Yes, but I took it up with Mr. Runnells and told him I would like to have Mr. Root go over there, and he agreed.

CHAIRMAN TOMPKINS: Are there any other questions? If not, the witness may be excused; and we thank you very much, Mr. Woodman, for coming.

Now, is that all we have? It is now after twelve o'clock, and if there is not anything further, I think we can adjourn to next Wednesday. As I understand it, the special session within the special session convenes at 10:00 o'clock next Wednesday morning.

(Conference off record)

ADJOURNED to Wednesday, June 26, 1940, at 10:00 o'clock, A.M.

\* \* \* \* \*