

Chandler
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PFI States View on Dam Land Suit

LEWISTON, Idaho — Potlatch Forests, Inc., and the Army Corps of Engineers aren't at each other's throats, despite a federal condemnation suit brought by the corps, PFI's president said today.

Benton R. Cancell issued a statement explaining the company's position regarding a suit filed in Federal Court at Boise Monday, seeking title to 1,070 acres of land owned by PFI, Clearwater County and 12 other corporations and individuals in the neighborhood of the Dworshak dam site on the Clearwater River's North Fork.

The condemnation involves approximately 10 per cent of the total PFI land to be acquired for the Dworshak project, the remaining 9,000 acres being within the reservoir area which will be inundated by the waters behind the dam.

"The fact that the U.S. Government went to court to take title to these 1,070 acres of land does not mean that we are not getting along with the Corps of Engineers, in spite of the fact that the economic problems the dam will create for our company are most serious," Cancell said.

Cancell gave timing as the reason for putting the matter into the courts. "We are confronted with substantially added costs which result in a greatly lessened value of our remaining properties due to this project," he said, "yet neither we nor the Corps have had time to determine the amount nor the actual extent of these damages. The initial lands, however, are required immediately by the Corps in order to meet its construction schedule.

"We are in somewhat of a dilemma, because our lawyers tell us that we cannot preserve our claim against the U.S. for these losses if we voluntarily deliver our deeds to the lands now being condemned.

"We cannot take any chances

of foregoing our right to be compensated for the losses we will sustain by the project.

"We have no alternative, but to preserve our eventual rights by being taken to court. The project schedule does not allow us time to make the necessary studies regarding the over-all value recompense we will require if we are to keep our Clearwater operations intact.

"We would like, of course, to make one over-all agreement with the U.S. with respect to all items of compensation, but we can't do that this early. We hope we will have most of the information in 12 to 18 months.

"When we get these answers, we will then try for agreement which I am sure both we and the Corps of Engineers prefer to litigation."