

minor defects but that he was perfectly satisfied and preferred the 608 equipment (serviceable) over the DA equipment (as is—where is). I viewed their entire maintenance facilities and found them to be good but small. Their capability, not only for maintenance, but also for remodification and re-engineering, is far above average. I viewed an excess truck which had been re-engineered from a cargo truck to a fire tank pumper with a 40 foot extension ladder. Mr. Sahinbas informed me that if he had to buy that piece of equipment now, it would cost in the neighborhood of \$50,000. I also viewed (1) Super 'C' *Turnadozer* in operation at the municipal garbage dump, and was informed that this was one of sixteen obtained from excess under the DA Program. He has ordered approximately \$40,000 worth of spare parts from the U.S. in order to place the other Super 'Cs' in operable condition. I also viewed a Cat D 7 in operation, working on a street in the City of Istanbul. I was informed that in the past, he was forced by OIEC, to take excess property that he did not want. Sahinbas was very happy with the property he had received, and gave me a list of further items received. The plant has a full capacity of 800 tons per day but was running at 600 tons. The reason for not running at full capacity was due to a part shortage of gravel. During 1966, 500,000 square meters of asphalt were laid in the repair of streets. Mayor Kiber estimates that 1,300,000 square meters will be laid in 1967. Using excess equipment, the price for doing this work dropped from \$3.00 per square meter to \$0.96 per square meter.

Up to December 1966, the Municipality had received \$593,884 acquisition cost of property, of which \$400,586 was obtained through the 608 program and \$193,298 from the DA Program. Mayor Kiber made the following statements: (a) preferred 608 equipment over DA, (b) preferred commercial type vehicles over military vehicles because of economical operation, (c) in order of preference, he prefers 608 equipment from (1) domestic sources and (2) Antwerp Marshalling Site. He has not been satisfied with property from the Rota Marshalling Site, (d) he has been cannibalizing DA equipment for parts, (e) does not believe DA equipment has the same value as 608 and, therefore, does not take as good care of it as he possibly should, (f) has been remodifying equipment in order that it will perform more economically for his purposes, (g) intimated that gas engines removed from equipment, and replaced with diesel engines, were being sold without USAID knowledge or approval, and (h) he had personal knowledge of OIEC misallocating equipment to recipients.

I viewed a considerable amount of equipment, some of which are as follows: 5 ton dump trucks (only one had the AID emblem), heaters, asphalt finishers, D 7 dozer, road grader, etc. The following items viewed were not in operation: one 10 ton Baldwin Lima Hamilton, full track, crane. Mayor Kiber stated that he required a shovel front for this item. The crane had only arrived approximately 3 weeks earlier but was checked out and was ready to work, one bitumi-