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GOVERNMENT

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SUPPLEMENTAL HEARINGS PUBLIC WORKS APPROPRIATIONS, 1963

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SUPPLEMENT TO HEARINGS BEFORE THE SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS UNITED STATES SENATE EIGHTY-SEVENTH CONGRESS SECOND SESSION ON

H.R. 12900

MAKING APPROPRIATIONS FOR CIVIL FUNCTIONS ADMIN-
ISTERED BY THE DEPARTMENT OF THE ARMY, CERTAIN
AGENCIES OF THE DEPARTMENT OF THE INTERIOR, THE
ATOMIC ENERGY COMMISSION, THE TENNESSEE VALLEY
AUTHORITY, AND CERTAIN STUDY COMMISSIONS, FOR THE
FISCAL YEAR ENDING JUNE 30, 1963, AND
FOR OTHER PURPOSES

BUREAU OF RECLAMATION AND DEPARTMENT OF THE INTERIOR POWER MARKETING AGENCIES

Printed for the use of the Committee on Appropriations



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PUBLIC WORKS APPROPRIATIONS FOR 1962

TUESDAY, SEPTEMBER 18, 1962

U.S. SENATE,
SUBCOMMITTEE OF THE
COMMITTEE ON APPROPRIATIONS,
Washington, D.C.

The subcommittee met at 10 a.m., pursuant to notice, in room 1223, New Senate Office Building, Hon. Carl Hayden presiding.
Present: Chairman Hayden and Senator Young.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

STATEMENT OF W. D. DENIT, ASSISTANT COMMISSIONER;
ACCOMPANIED BY D. R. BURNETT, CHIEF OF PROJECT DE-
VELOPMENT DIVISION; B. G. DAVIS, CHIEF OF PROGRAM
COORDINATION AND FINANCE DIVISION; AND J. W. MUELLER,
CHIEF OF POWER DIVISION

ADDITIONAL BUDGET ESTIMATES

Chairman HAYDEN. The committee will be in order.

Since the last hearings on title II of the public works appropriation bill, there have been received additional budget estimates to be considered. Mr. W. D. Denit, Assistant Commissioner of Reclamation, is here this morning in the absence of Commissioner Dominy.

It will be a pleasure to hear you, sir.

GENERAL STATEMENT

Mr. DENIT. It is a pleasure to be here.

Assisting me will be Mr. D. R. Burnett, Chief of our Division of Project Development, Mr. Davis, Chief of Program Coordination and Finance, and Mr. Mueller, Chief of the Power Division.

This appropriation period has been unique for the number of budgetary items which have been recently brought into position for which funding is required.

FUNDS FOR SMALL PROJECT LOANS

The committee has before it an amendment requesting \$2,344,000 for five small project loans now ready for processing.

SAN JUAN-CHAMA PROJECT

There has also been a request for advance planning funds in the amount of \$550,000 for the San Juan-Chama project. This request was presented in House Document 477, dated July 16, 1962, and was submitted as an amendment to the fiscal year 1963 budget request.

Since the regular hearings before the House and Senate Appropriations Committees in April and May, the Bureau has further determined that certain program changes will be in the interest of more efficient operations in the current fiscal year. These changes have been brought to the committees' attention by letter of September 17. They include a change in description, as well as acceleration, in the Hayden-Cheyenne transmission line, Upper Colorado River storage project. This line was originally identified as the Craig-Cheyenne line. The second change is the reduction of \$1,200,000 in the purchase power item of the "Operation and maintenance" appropriation.

The same letter mentions that requests for supplemental appropriations in the aggregate sum of \$1,075,000 are now before the Appropriations Committees and cites the juxtaposition between the reduction of \$1,200,000 mentioned above and the amount of the supplemental request. These newly authorized projects are involved in the supplemental.

FRYINGPAN-ARKANSAS, MANN CREEK, AND ARBUCKLE PROJECTS

They are the Fryingpan-Arkansas, Mann Creek, and the Arbutle projects. All three projects were authorized after the Bureau's regular hearings before this committee.

We are grateful that you have given us the opportunity to appear this morning to give testimony on each of the several items I have enumerated, and we are now at your disposal.

NEW SMALL PROJECT LOANS

Chairman HAYDEN. Among the budget changes are estimates of \$2,344,000 needed for five small project loan applications. The justification will be placed in the record.

(The justification follows:)

BUREAU OF RECLAMATION

Loan program

Request (to remain available until expended).....	\$2, 344, 000
Budget estimate this fiscal year.....	¹ 10, 173, 000

¹ As amended by H. Docs. Nos. 388, 422, and 431, dated Apr. 13, May 24, and June 12, 1962, respectively.

PURPOSE AND NEED FOR SUPPLEMENTAL FUNDS

To meet the 1963 fund requirements on the five following project loans as authorized by the Small Reclamation Projects Act of 1956, Public Law 984, 84th Congress, as amended:

Banta-Carbona Irrigation District, California.....	\$230, 000
Cassia Creek Reservoir Co., Idaho.....	298, 000
Georgetown Divide Public Utility District, California.....	549, 700
Orchard City Irrigation District, Colorado.....	266, 300
Roosevelt Irrigation District, Arizona.....	1, 000, 000
Total.....	2, 344, 000

Program and financing

[In thousands of dollars]

	Presently estimated, 1963 ¹	Revised estimate, 1963	Increase
Program by activities:			
1. Distribution systems.....	5,646	5,646	-----
2. Small projects: Loans.....	12,811	15,155	+2,344
3. Administration.....	124	124	-----
Total program costs.....	18,581	20,925	+2,344
Change in selected resources.....	-4,038	-4,038	-----
Total obligations.....	14,543	16,887	+2,344
Financing: Unobligated balance brought forward.....	-4,370	-4,370	-----
New obligational authority (appropriation).....	10,173	12,517	+2,344

¹ As amended by H. Docs. Nos. 388, 422, and 431, dated Apr. 13, May 24, and June 12, 1962, respectively.*Object classification*

[In thousands]

	Presently estimated, 1963 ¹	Revised estimate, 1963	Increase
11 Personnel compensation: Permanent positions.....	\$190	\$190	-----
12 Personnel benefits.....	13	13	-----
21 Travel and transportation of persons.....	20	20	-----
24 Printing and reproduction.....	1	1	-----
25 Other services.....	164	164	-----
Services of other agencies.....	2	2	-----
26 Supplies and materials.....	2	2	-----
33 Investments and loans.....	14,151	16,495	+\$2,344
Total obligations.....	14,543	16,887	+2,344

¹ As amended by H. Docs. Nos. 388, 422, and 431, dated Apr. 13, May 24, and June 12, 1962, respectively.

Fiscal year 1963 appropriation estimate now before Congress.....	\$10,173,000
Supplemental appropriation estimate, fiscal year 1963.....	2,344,000
Total.....	12,517,000

A supplemental appropriation of \$2,344,000 is requested for the loan program in fiscal year 1963 to finance the following loans on five projects authorized by the Small Reclamation Projects Act of 1956, Public Law 984, 84th Congress (70 Stat. 1044), as amended:

Banta-Carbona Irrigation District, California

The application of the Banta-Carbona Irrigation District for a loan of \$964,000 for rehabilitation and betterment of its irrigation system has been approved by the Secretary and was sent to Congress on July 23, 1962. The total estimated cost of the project is \$1,097,200, of which the district will provide \$133,200. The district will need \$230,000 in fiscal year 1963 to initiate work on improvement and modernization of this system.

The existing irrigation system serves about 17,900 acres of land. About 39 miles of laterals will be replaced by pipelines, main canals will be lined or repaired and the pumping system will be improved.

Cassia Creek Reservoir Co., Idaho

The application of the Cassia Creek Reservoir Co. for a loan and grants totaling \$2,498,000, including a loan of \$2,351,600 for irrigation facilities and grants of \$105,000 for fish and wildlife and \$41,400 for flood control benefits, has been approved by the Secretary and was sent to Congress July 10, 1962. The estimated cost of the project is \$2,829,000, of which the company will provide \$331,000. The company will require in fiscal year 1963, \$298,000 to complete plans and specifications and start construction of two small reservoirs and to initiate work on other features of the project.

The project will provide supplemental water to 11,000 acres of land in southern Idaho now inadequately supplied with irrigation water. The project works will consist of two small reservoirs in Cassia Creek with capacities of 11,000 and 1,200 acre-feet. Other project works include channel improvements, diversion structures, headgates, and measuring devices. No new canals are planned.

Georgetown Divide Public Utility District, California

The application of the Georgetown Divide Public Utility District for an increase of \$759,330 in its approved loan of \$3,877,670 has been approved by the Secretary and was sent to Congress on July 13, 1962. The additional amount is required to compensate for moderate cost increases above the original estimate and to permit the completion of portions of the project which the district had originally expected to construct over a period of several years from project revenues. An amount of \$549,700 is required in fiscal year 1963 to permit the continuation of construction under the revised plan.

The project works include a storage reservoir and other water supply works and the enlargement and extension of the existing distribution system to serve a total of 4,200 acres.

Orchard City Irrigation District, Colorado

The application of the Orchard City Irrigation District for a loan of \$270,000 for construction of facilities to bring additional water to 2,093 acres of irrigated land has been approved by the Secretary and was sent to Congress on July 10, 1962. The total project cost is estimated at \$279,000, of which the district will provide \$9,000. The district will need \$266,300, which is the full amount of appropriated funds required for this application, in fiscal year 1963 to complete plans and specifications and construct the project.

The facilities now serving the 2,093 acres within the boundaries of the irrigation district provide about 6,460 acre-feet of water while the actual requirement is about 9,000 acre-feet. These lands now suffer, on the average, a 30-percent water shortage each year. New project works will consist of a pumping plant on the Gunnison River, a pump outlet pipeline and two canals to deliver water to the present facilities of the district.

Roosevelt Irrigation District, Arizona

The application of the Roosevelt Irrigation District for a loan of \$4,620,000 for the rehabilitation and betterment of its existing irrigation system has been approved by the Secretary and was sent to Congress on July 20, 1962. The total estimated cost of the project is \$4,873,300, of which the district will provide \$253,300. The district will require \$1 million in fiscal year 1963 to start the rehabilitation and betterment work on this project.

A major item of rehabilitating the district's 34-year-old irrigation facilities, which serve about 38,000 acres of land, is replacement of 15 old wells and equipment such as motors and transformers used in connection with the well operations. The existing canals will be extensively reshaped, repaired, and lined, which work the engineers estimate will save about 8,000 acre-feet of water annually and reduce pumping costs.

The loan applications for these projects have been forwarded to Congress and all will complete the required 60 days before the respective legislative committees at various dates during the month of September, provided the Congress does not adjourn before then. At the completion of this layover period, and provided no unfavorable action is taken by either legislative committee, the prerequisites for the applied loans will have been met by each of the applicants and further progress will be contingent upon the availability of appropriated funds. The preparation of loan applications and the negotiations involved in finalizing the loan arrangements before transmittal to the Congress take considerable time. It thus becomes important in the interest of the program that funds are available soon after the applicants qualify.

BANTA-CARBONA IRRIGATION DISTRICT LOAN

Chairman HAYDEN. Please advise the committee of the dates on which these approved applications were forwarded to Congress; and describe briefly the need for each of the loans.

Mr. DENT. Taking first the Banta-Carbona Irrigation District loan, the application is for \$964,000.

Chairman HAYDEN. Where is it located?

Mr. DENIT. It is in the Banta-Carbona Irrigation District, in California, San Joaquin County.

This application was sent to the Congress on July 23, 1962, and it is our understanding that the waiting period will expire on or before September 25.

The total estimated cost of the project is \$1,097,200, of which the district will provide \$133,200. The district will need \$230,000 in fiscal year 1963 to initiate the work. What this amounts to in terms of work to be performed is the rehabilitation and betterment of the existing irrigation system.

Chairman HAYDEN. About how large an area is it?

Mr. DENIT. 17,882 acres.

Senator YOUNG. Is that the number of new acres?

Mr. DENIT. No, sir; that is the area covered by the rehabilitation and betterment of an existing project.

Senator YOUNG. Is there a repayment contract in existence now?

Mr. DENIT. No, sir; the existing irrigation system was financed through a local bond issue. This is an entirely new venture on the part of the district itself to rehabilitate and prolong the life of the existing works.

Senator YOUNG. How long has this project been in existence?

Mr. BURNETT. It is a privately developed project that has been in existence for a good many years.

Chairman HAYDEN. Will you put the information in the record?

Mr. BURNETT. Yes, sir; we will provide it.

(The information referred to follows:)

BANTA-CARBONA IRRIGATION DISTRICT, CALIFORNIA

The district was organized March 14, 1921, under California laws. The present facilities were developed under local financing by means of a bond issue. The proposed work is to improve and modernize those non-Federal facilities.

CASSIA CREEK LOAN

Mr. DENIT. This loan is to be repaid in 40 years with annual payments of \$24,100.

The next item is the Cassia Creek Reservoir Co. loan, in Cassia County, Idaho. The company has requested a loan of \$2,351,600 for irrigation facilities. And then there are grants attendant upon the loan of \$105,000 for fish and wildlife and \$41,400 for flood control benefits.

The project would involve the construction of two small reservoirs on Cassia Creek. The larger would have the capacity of 11,000 acre-feet, and the smaller would impound 1,200 acre-feet of water.

Cassia Creek is a tributary of the Raft River which flows into the Snake River.

In addition to these reservoirs, there would be other project works such as necessary channel improvements, diversion structures, head-gates, measuring devices, and so forth.

Senator YOUNG. Is this a new project?

Mr. DENIT. No, sir; this is a project designed to supplement the water supply of the existing project.

Chairman HAYDEN. How many acres in that project?

Mr. DENIT. 11,000 acres would be served. This 11,000 acres is now inadequately supplied with water, and by virtue of the works created under this loan the waters could be controlled and used in a more sensible and meaningful way to the extent that the whole economy of this area would be benefited.

Senator YOUNG. Is this supplementing an old project that has been in operation, or is this a brandnew project?

Mr. DENIT. No; this is an old project. The contracting company, the Cassia Creek Reservoir Co., has had this water control operation for many years. And they now seek merely to improve and modernize their works so as to get better utilization of the available water.

Chairman HAYDEN. Again for the record, will you supply us with information as to how long they have been operating?

Mr. DENIT. We will be glad to supply that.

(The information referred to follows:)

CASSIA CREEK RESERVOIR Co., IDAHO

The organization is a mutual company formed on August 3, 1956, under Idaho laws by the farmers who will be served. The proposed loan will be used to construct two new reservoirs for supplemental water to be used in ditches constructed by the individual farmers.

Senator YOUNG. And again there has been a repayment on an existing project?

Mr. DENIT. This was not a Reclamation Bureau project at any point.

Senator YOUNG. Is there a budget estimate for this?

Mr. DENIT. A budget estimate of \$298,000 for fiscal year 1963.

Senator YOUNG. In other words, they are taking advantage of the Reclamation Act for the first time on their own private project?

Mr. DENIT. That is right.

Senator YOUNG. Now they would like to take advantage of the Reclamation Act to provide themselves with more water?

Mr. DENIT. That is exactly what is involved here, Senator Young. These borrowers are taking advantage of the Small Reclamation Projects Act of 1956.

Mr. Chairman, the application on this loan was sent to the Congress on July 10, 1962, and the waiting period has run.

GEORGETOWN DIVIDE LOAN, CALIFORNIA

The next loan item is a supplemental request to increase an already existing loan of the Georgetown Divide Public Utility District in California. This district is located near Georgetown in El Dorado County. The original loan was for \$3,877,670, and this involved construction of a dam and reservoir on Pilot Creek, the rehabilitation and extension of the existing distribution system to provide a more dependable water supply for 1,700 acres which were under irrigation, and to irrigate an additional 2,300 acres within the district. All this irrigation is primarily for pasture and deciduous tree fruits.

Now, the contracting district had originally planned to make some additional improvements in the works using district revenues for that purpose on a somewhat delayed basis. But they have found that the demand for water has developed more rapidly than originally

anticipated and that it would be more financially feasible to go ahead and construct the total plan at this point.

Therefore they have requested an increase of \$759,330 in the original loan amount. And \$549,700 of that increase is what is requested here.

Chairman HAYDEN. Again for the record, when was the original arrangement made?

(The information referred to follows:)

GEORGETOWN DIVIDE PUBLIC UTILITY DISTRICT, CALIFORNIA

The district was organized in 1946 under California laws. The contract for the existing small project loan was executed on February 19, 1960, and was used to replace water supply works constructed in 1849 by mining interests. The proposed increase in the loan will be used to enlarge and extend the existing irrigation distribution system which was constructed under local financing over many years.

STATUS OF REPAYMENT

Chairman HAYDEN. What is the status of the repayment under the original arrangement?

Mr. DENIT. The repayment of the loan does not start until after the first season of use of the facilities. Thus the first payment is not yet due.

Chairman HAYDEN. When was the district established, and what is the status of its repayment contract?

Mr. DENIT. You are talking about the beginning of the works, not just the loan transaction?

Are you asking about payments on the loan?

Chairman HAYDEN. Yes. They obtained money to build it originally, and then it has been going on so many years?

Mr. DENIT. This was again a private undertaking originally, Mr. Chairman. It was not a Reclamation Bureau project. And our own association with them has been precisely on the same basis as we mentioned on the preceding loan. They have taken advantage of the opportunity under this small Reclamation Project Act to seek financing.

Chairman HAYDEN. To improve their condition?

Mr. DENIT. Yes.

Senator YOUNG. These are only loans?

NON-INTEREST LOANS

Mr. DENIT. These are only loans, and they are repayable in full, except as to any grant amounts for nonreimbursable features such as fish and wildlife and flood control.

Senator YOUNG. What interest rate?

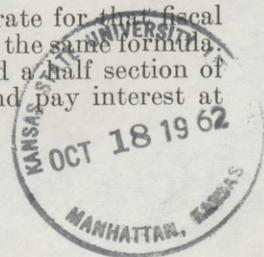
Mr. DENIT. No interest is charged on these loans under this act, except under situations in which the lands involved exceed the acreage limitation and for nonagricultural features under the loan. When the acreage limitation is exceeded then they do bear interest.

Chairman HAYDEN. At what rate?

Mr. BURNETT. They bear interest on the going rate for the fiscal year in which the contract is signed, depending upon the same formula.

Chairman HAYDEN. That is to say, if a man had a half section of land and he could get free money for 160 acres, and pay interest at the going rate on the other 160?

Mr. BURNETT. That is correct.



Senator YOUNG. What assurance does the Government have of repayment?

Mr. DENIT. The works themselves.

Senator YOUNG. Do they sign a contract?

Mr. DENIT. Yes; they sign a loan repayment contract.

Senator YOUNG. Is there a law whereby they can assess an irrigator a certain percentage each year? What kind of system do they have for a repayment?

Mr. DENIT. Within themselves?

Senator YOUNG. Yes.

Mr. DENIT. Yes, they have a right to assess their constituent members to repay this amount.

Senator YOUNG. Is this a State law?

Mr. DENIT. Well, the basic act is, of course, the Small Reclamation Projects Act.

Senator YOUNG. A Federal act. But I was wondering how a local irrigation project assures the payment to the Federal Government. Do they have a State law whereby they can assess each irrigator so much, or is it a voluntary payment?

Mr. DENIT. I think that varies with the nature of the contracting entity, and would vary according to the laws of the State in which the contracting entity is situated.

But before any loan application is approved the Secretary and the Bureau satisfy themselves that there is capacity and full legal commitment on the part of the contracting entity to repay the loan proceeds.

Senator YOUNG. I am just seeking more information. I am not very familiar with this loan type program. Isn't this a comparatively new program?

Mr. DENIT. No, sir. This act was passed in 1956. I might add, too, that any loan proceeds used for municipal and industrial water supply would also be interest bearing at the Treasury rate.

TOTAL LOANS MADE IN PRIOR YEARS

Chairman HAYDEN. Just as a matter of curiosity, it would be interesting to put in the record the number of these loans which have been made in prior years under the authority of the original law.

Mr. DENIT. We would be glad to supply that for the record.

Chairman HAYDEN. And the status of the payments.

Mr. DENIT. Yes, loans outstanding.

Just one more thing on this supplemental loan request. It was sent to the Congress on July 13, and the waiting period has elapsed. (The information referred to follows:)

A total of 19 small project loans have been made. The amounts involved, including grants, total \$49,113,700. A listing of these loans showing their status as of September 18, 1962, is as follows:



Status of small projects loan applications that have been made as of September 18, 1962

Organization:

	Loan
Construction completed:	
Bountiful Water Subconservancy District, Utah.....	\$3, 510, 000
Centerville-Deuel Creek Irrigation Co., Utah.....	402, 000
Goleta County Water District, California.....	1, 650, 000
Pleasant Valley County Water District, California.....	2, 040, 000
San Benito County Water Conservation and Flood Control District, California.....	1, 425, 000
Total completed.....	9, 027, 000
Under construction:	
Browns Valley Irrigation District, California.....	4, 804, 000
Cameron County Water Control and Improvement District No. 1, Texas.....	4, 600, 000
Donna Irrigation District, Texas.....	4, 067, 000
Eastern Municipal Water District, California.....	4, 980, 000
Georgetown Divide Public Utility District, California.....	¹ 3, 878, 000
Hights Creek Irrigation Co., Utah.....	340, 000
Santa Ynez River Water Conservation District, California.....	3, 800, 000
South Davis County Water Improvement District, Utah.....	² 576, 000
South San Joaquin Irrigation District, California.....	4, 900, 000
South Sutter Water District, California.....	4, 875, 600
Walker River Irrigation District, Nevada.....	³ 693, 000
Weber-Box Elder Conservation District, loan No. 1, Utah.....	304, 000
Total under construction.....	37, 813, 600
Projects not yet under construction:	
Jackson Valley Irrigation District, California.....	1, 327, 000
Klamath Basin Improvement District, Oregon.....	942, 100
Total under contract but not started.....	2, 269, 100
Total loans made.....	49, 109, 700
Repayment of loans does not start until after the first year of project operation. The first payments on loans were made this year, as follows:	
Centerville-Deuel Creek Irrigation Co.....	\$1, 000
South Davis County Water Improvement District.....	5, 000
Goleta County Water District, California.....	5, 000
Total.....	11, 000

These are all payments that were due and they were paid on schedule.

¹ Has applied for an increase, work on this portion has been completed.

² Repairs estimated at \$18,000 being made, otherwise completed.

³ Includes flood control grant of \$130,000.

ORCHARD CITY PROJECT, COLORADO

Mr. DENT. Now, the next loan is based on an application for the Orchard City Irrigation District of Delta County, Colo. The district has requested a loan of \$270,000 to be used for the construction of facilities to bring additional water to 2,093 acres of irrigated land within its boundaries.

The facilities now serving these lands provide about 6,460 acre-feet of water, while the actual water requirement is approximately 9,000 acre-feet. On the average these project lands are suffering a 30 percent water shortage each year.

The new facilities proposed by the district will permit the pumping of 2,600 acre-feet of water from the Gunnison River, which will just

about meet the requirement that they have there. The work will consist of a pumping plant on the Gunnison River, a pump outlet pipeline, and two canals to deliver water to the present facilities.

The pumping plant will deliver 20 cubic feet per second through a mile long discharge pipe. The two canals will have a capacity of 20 cubic feet per second, and they will convey water from the outlet of the pump discharge pipeline to the existing system. The total cost of the project is estimated at \$279,000, of which the district will provide, without loan recourse, \$9,000. There is requested for 1963 the amount of \$266,300, which will complete everything that they have in mind here.

This loan application went to the Congress on July 10, 1962, and again the waiting period has expired.

Incidentally, Mr. Chairman, we will provide a factual statement on the background and the original history of this project along with the several others that have been mentioned.

(The information referred to follows:)

ORCHARD CITY IRRIGATION DISTRICT, COLORADO

The district was organized January 3, 1938, under Colorado laws. The proposed small project will deliver water into existing ditches constructed under local financing to supplement water from other sources.

ROOSEVELT IRRIGATION CO. LOAN

Chairman HAYDEN. Will you do that with all of them?

Mr. DENIT. Yes.

Now, the last line item we have is an application for a loan of \$4,620,000 for the Roosevelt Irrigation District of Buckeye, Ariz. The facilities of this district are 34 years old. They serve 38,000 acres near Buckeye some 30 miles west of Phoenix. The district's rehabilitation plan centers primarily upon the replacement of 15 old wells which are dry or otherwise of low yield. These wells are using inefficient motors for which replacement parts are hard to obtain, so they will substitute some 84 new motors which have been extensively modified.

Pumps, transformers, and motor controllers will be replaced to the extent necessary.

They will also reshape and reline much of the existing channel system. The effect of this process will be to conserve and save about 8,000 acre-feet of water annually, and will of course reduce the pumping and operation and maintenance cost.

Chairman HAYDEN. As I understand it, this is a municipal corporation organized under the laws of Arizona and has the power to tax. Am I correct about that?

Mr. DENIT. I don't think there is any question about it, this is a district organized under the State law.

Chairman HAYDEN. And those districts have the power to tax?

Mr. DENIT. They have the power to tax.

DEPTH OF WELLS

Senator YOUNG. How deep are these wells, just as a matter of curiosity?

Chairman HAYDEN. How deep do you have to go down to get water?

Mr. BURNETT. This is that district just west of Phoenix. I can only hazard offhand that they probably are pumping around 200 to 300 feet today. The ground water is going down rapidly in that area, I know. I don't have the exact figures on the pumping in that particular spot, but throughout the Phoenix area as a whole it varies from 100 feet down to 1,000 feet.

(The following was later submitted:)

In 1960, the depth to water in wells in the district was 105 feet and in the Tolleson well field it was 129 feet.

Chairman HAYDEN. That is the reason we want water from the Colorado River?

Mr. BURNETT. Yes, sir.

Senator YOUNG. As these cities take over this irrigated land I understand that they don't require as much water as does the irrigation, is that right? If a city takes over, let us say, about a 40-acre tract, I have been told that it takes less water to supply the city than it does to irrigate the land.

Chairman HAYDEN. That is correct, that is the experience in the Salt River project. When they divide up an area of land into lots, and pave the streets and sidewalks and put roofs on the houses, the only demand for water is the kitchen and the bath.

So there is a net saving of irrigation water every time an irrigated area is subdivided. That leaves more water for the rest of the folks.

Mr. DENIT. This Roosevelt Irrigation District loan application was submitted to the Congress on July 20, 1962, and the waiting period has expired.

Chairman HAYDEN. You will give the background history of it along with the others?

Mr. DENIT. Yes, sir.

(The information referred to follows:)

ROOSEVELT IRRIGATION DISTRICT, ARIZ.

The district was organized in 1923 under Arizona law. The proposed loan will be used to modernize and improve an existing irrigation system that was developed under local financing by means of a bond issue.

Chairman HAYDEN. Senator Carroll, would you like to be heard?

ORCHARD CITY, COLO., IRRIGATION DISTRICT

STATEMENT OF HON. JOHN A. CARROLL, A U.S. SENATOR FROM THE STATE OF COLORADO

GENERAL STATEMENT

Senator CARROLL. I would like to be heard briefly, Mr. Chairman.

Mr. Chairman, first I want to call to your attention—it is sort of a minor matter, but we think it is important—this has to do with the Orchard City Irrigation District in Colorado. This is a loan on which I understand there has been testimony here, and I hope you give it your full meritorious consideration.

FRYINGPAN-ARKANSAS PROJECT

This morning I come specifically to talk about Fryingpan-Arkansas again. And I have a statement prepared for the record, and I ask unanimous consent that it be included in the record at this point.

Chairman HAYDEN. That may be done.

(The statement referred to follows:)

CARROLL CALLS FOR FRYINGPAN PLANNING FUNDS

Mr. Chairman, I am here today to urge the inclusion of \$600,000 planning funds for the Fryingpan-Arkansas project as part of H.R. 12900, the public works appropriation bill.

This planning money, requested by the President, will mark the first firm step toward the completion of a project for which the citizens of Colorado have worked for over 30 years. This project will divert water, by means of a transmountain tunnel, from the Pacific watershed to the Atlantic, from the sparsely populated high country of the western slope down into the rapidly growing Arkansas River Valley.

As you well know, Mr. Chairman, in the West water is treasure; it is the difference between life and death, growth and decay. The water and power which this project will bring to the Arkansas Valley will mean new opportunities, new jobs, and new industry.

The multipurpose program of development will include not only hydroelectric power but also municipal and industrial water supply, flood control, irrigation, recreational opportunities, and fish and wildlife conservation.

As the President has said: "This is an investment in the future of this country, an investment that will repay large dividends. It is an investment in the growth of the West, in the new cities and industries which this project has made possible."

Mr. Chairman, the Senate has approved measures authorizing this project time and again. This measure passed the Senate in 1959, in 1956, 1957, and again in 1962.

This year at long last final congressional authorization was obtained and President Kennedy signed it into law. This is a bipartisan project, Mr. Chairman, supported, I am pleased to say, by leaders of both parties in my State, by both Houses of Congress, and both President Eisenhower and President Kennedy.

The completion of this project will be important to the future of my State, Mr. Chairman, just as this planning fund request is important to the people of my State today.

The \$600,000 which the President has requested and which I ask that you add to the public works bill will mean that actual work can be started this year—that men will be hired, that plans will be drawn.

Actual visual proof that this project will soon be underway will act as a boost to the morale and an economic stimulus from Ruedi Reservoir to the Kansas border.

Such a stimulus is badly needed, for the area which this project will serve has not shared in the great economic expansion which the rest of Colorado has experienced in recent years. Leadville has had a high level of unemployment for several years. Pueblo has been classified as an area of substantial labor surplus for 2 years. In many of the areas to be served by the Fryingpan-Arkansas project the percentage of unemployed has been consistently almost twice that of the State as a whole.

During his visit to Pueblo the President said: "A rising tide gets all the boats." Congressional approval of this \$600,000 planning fund request will be taken as a signal, Mr. Chairman, by the entire Arkansas Valley that the tide will soon be in.

PLANNING FUNDS

Senator CARROLL. I would like to summarize some, if I may.

Mr. Chairman, I and the other members of the delegation were out in Pueblo when the President of the United States came out to look at the reservoir site and speak to the people of Colorado. And at that time he announced to the people that he was asking the Congress for \$600,000 for planning funds.

We are in desperate need of that money, not only for the purpose of starting this program initiating the planning and the work, but it is very depressing to our people to have the President of the United States come out and speak on this great project they have been fighting on for so many years and then have the feeling that they are not going to get this planning money they wanted.

This \$600,000 will be vital to our people not only from an economic standpoint but a spiritual standpoint.

I understand Senator Allott has a letter in the file, and I think I can speak for him.

Chairman HAYDEN. He couldn't be here.

Senator CARROLL. He couldn't be here.

But I don't need to delay this committee any longer. I appreciate the privilege of appearing here. My statement, I think, speaks for itself. If there are any questions, I would be happy to answer them.

But I want to say emphatically that this small amount of money is very vital to us at this point. And I think this opinion is shared by the Secretary of the Interior and the Commissioner of Reclamation.

I don't profess to speak for them, but I think they have very strong feelings. And I would certainly appreciate it if you and this committee, Mr. Chairman, would include it in their present planning.

I thank you very much for the opportunity to be here.

Chairman HAYDEN. Representative Chenoweth.

FRYINGPAN-ARKANSAS PROJECT, COLORADO

STATEMENT OF HON. J. EDGAR CHENOWETH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

GENERAL STATEMENT

Mr. CHENOWETH. Thank you, Mr. Chairman.

I merely wanted to supplement what my colleague from Colorado said as to the importance of this project to Colorado. I represent the third district, which will receive the water from the western slope, and it is a project which we have been working on for many years, and we are very happy that as a result of a united effort in Colorado that we were able to get the project authorized.

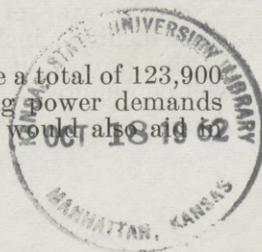
The President did mention when he was in Pueblo, Colo., that he was recommending the \$600,000. And that has been recommended by the Bureau of the Budget. This project is contained in Public Law 590 which was signed by the President on August 16 after the public works appropriation bill had passed the House. We are hoping that you will be able to include it in your bill here in the Senate.

Thank you very much.

Mr. DENIT. Here is a project authorized by Public Law 87-590 with a total cost of \$169,905,000. We seek for fiscal year 1963 the amount of \$600,000 for essential advance planning and preconstruction work. Now, this project basically would provide approximately 163,100 acre-feet of supplemental water for some 280,000 acres of land. The available water has been able to meet only an average of 65 percent, and at times as low as 22 percent of the crop requirements. And in addition, about 20,500 acre-feet would be available to meet the expanding municipal need of Colorado Springs, Pueblo, and other municipalities in the Arkansas Valley.

POWER GENERATION

Additionally, the project would ultimately provide a total of 123,900 kilowatts of generating capacity to meet increasing power demands of preference customers in the area. This project would also



the prevention of a large amount of flood damage that occurs annually in the Arkansas Valley. There would be benefits to fish and wildlife, and there would be opportunity for recreational activities.

In other words, sir, we have here a multiple-purpose project important and significant in every phase.

Now, there have been questions raised as to why the urgency of the Fryingpan-Arkansas project at this time, why the urgency in the light of the fact that it has been many years reaching a legislative clearance. I submit to this committee, and I am sure the chairman in his long experience well recognizes, that to a very large degree all water resources development in the western part of the United States is urgent. Here we have a situation in which there is a delimiting effect upon the economy of several communities, large and growing communities where there are important military installations such as in Colorado Springs. We are delimited by the cloud of not having enough water to look ahead, of not even having enough water to be comfortable as of this moment.

This, we believe, is urgent. Then, too, we have the irrigation aspect of this project. People in a progressive community with vast agricultural know-how, with the knowledge to make the most of crop rotation and crop diversification, are having to do with less than the amount of water required to farm profitably.

Both the urban and the rural economies are therefore directly involved in this project.

It is true that we take some considerable time to bring one of these projects through the legislative process. And this, we believe, is to be commended. It is a part of the type of thoroughgoing study that attaches to an economic undertaking of this type in a capitalistic economy and a free economy.

It would be very easy to do these things on a shorter line in a fully controlled economy, but none of us wants this. But during this long and proper process of justification, the needs of the local people undoubtedly become more and more critical. And as of this point, as Senator Carroll has pointed out, we have both a psychological and spiritual contribution to make to these people, and a very practical one in terms of a faltering economy.

SPECIAL PROGRAMS FOR DEPRESSED AREAS

As we know, we are currently concerned with depressed economic areas throughout the Nation. We find that where the situation gets so bad that there must be a declaration of extreme economic distress and emergency, we must go in there with some kind of special program. In this project we have an opportunity to give economic perspective to a very important area of the West without letting it become the object of some kind of a special makeshift economic pump primer. For that reason that further delay will simply frustrate the hopes of the people, and will delay a project which is going to be of benefit locally and nationally.

Just by way of illustration, when we get to constructing western slope facilities, including Ruedi Dam, which is the initial key structure in this project, it is estimated that some \$18 million in onsite labor will be required.

Now, this will occur pretty much in the area of Leadville. And Leadville at the present time is suffering mass unemployment because of an untimely strike at the Climax Molybdenum Co. there. The local merchants are distressed. Advance planning on this project will permit us to give these people an entirely new horizon of hope.

In the fiscal year 1963 we do not seek funds to begin any large-scale construction. We seek only to do essential preconstruction work leading to the preparation of final designs and specifications, and placing us in a position where we can award the initial construction contract on Ruedi Dam and Reservoir in 1964 if this committee in its wisdom sees fit to give us funds for that purpose.

So, in summary, Mr. Chairman, there is purpose to the Fryingpan-Arkansas project, and there is indeed urgency.

SOURCE OF WATER

Chairman HAYDEN. My understanding is that the water to supply this project comes out of Colorado's allotment under the Colorado River compact. I would like to have in the record the total quantity of water allocated to Colorado by the Colorado River compact, and how much of it would go to this project.

Mr. BURNETT. We would be happy to supply that for the record.

Chairman HAYDEN. I think it would be useful.

Mr. BURNETT. I can tell you how much goes to the project and how the hydrology of this project goes, but I don't have the figure on the total allotment to Colorado with me.

Chairman HAYDEN. It can be inserted in the record.

Mr. BURNETT. Yes, sir.

Senator CARROLL. I can say to you, Mr. Chairman, that the amount of water that will be allocated to this project percentagewise is very small compared to what we are entitled to under the exact—

Mr. BURNETT. That is right.

(The information referred to follows:)

The Colorado River compact of 1922 apportions from the Colorado River system the exclusive beneficial consumptive use of 7,500,000 acre-feet of water per annum to the upper basin. Colorado, in which the authorized Fryingpan-Arkansas project is located, is an upper basin State. The Upper Colorado River Compact of 1948 apportions to the State of Colorado the consumptive use of 51.75 percent per annum of the total quantity of consumptive use apportioned to and available for use each year by the upper basin after deducting the use of not to exceed 50,000 acre-feet in the State of Arizona; 51.75 percent of 7 million is 3,623,000 acre-feet. The amount that would be diverted from the Colorado Basin to the Arkansas Basin by the Fryingpan-Arkansas project is 69,100 acre-feet.

LETTER FROM SENATOR ALLOTT

Chairman HAYDEN. As the Senator from Colorado mentioned, his colleague, Senator Allott, is in New York as a delegate to the United Nations. His supporting letter will be placed in the record.

(The letter referred to follows:)

SEPTEMBER 17, 1962.

HON. CARL HAYDEN,
Senate Office Building, Washington, D.C.

DEAR CARL: As you know, I will not be able to be present tomorrow at the meeting of the Subcommittee on Public Works because of the opening session of the General Assembly of the United Nations, at which the presence of all delegates has been strenuously urged.

I have been informed by Assistant Commissioner of Reclamation Denit that he will make the presentation in behalf of the Fryngpan and, of course, the record is complete as to the general desirability and high feasibility of this project. The project is 89 percent repayable and only 2 percent of the entire project is charged off to recreation and fish and wildlife.

There is a present and very great need for a start on the project during fiscal year 1963. There are 2,000 miners out of work in the Leadville area at this time. As you know, last year the smelter closed at Leadville and this threw a great many other miners out of work. A survey is now being conducted by the Department of Labor to determine whether or not this particular area will qualify under the Area Redevelopment Act. We, therefore, have a situation where the promise of the start of the Fryngpan will mean much to the stabilization of this area, both psychologically and materially.

I sincerely hope you will include the \$600,000 requested for the start of the Fryngpan this year.

Best regards.

Sincerely yours,

GORDON ALLOTT, U.S. Senator.

BUREAU READY TO START PLANNING

Senator CARROLL. May I make one observation, because I know this will be helpful to us when we get to the other body with this problem. I am not trying to anticipate what the chairman of this committee will do. But I think it would be well to have something in the record to indicate the general feeling, "Well, why can't this go over to another time, we can take it up next year."

I am led to believe by my information that if this appropriation were made available, these funds were made available, that the Bureau of Reclamation is ready to do some immediate planning.

Mr. DENIT. That is true.

Senator CARROLL. Can you indicate—I am not asking where—but can you indicate how soon you will begin to operate some of your field offices?

Mr. DENIT. Yes, sir. We will have men at the site preparing to open these offices within 24 hours after the funds are made available.

Senator CARROLL. That is the point I wanted to make clear. There is work to be done, and it can still be done if we do some work now before the cold weather. And this will be the creation of new field offices that have particular significance to this project?

Mr. DENIT. Yes, sir.

Senator CARROLL. Thank you, Mr. Chairman, for your patience.

SAN JUAN-CHAMA PROJECT

Chairman HAYDEN. The San Juan-Chama participating project of the Colorado River storage project was authorized on June 13, 1962, by Public Law 87-483. A budget estimate in the amount of \$550,000 for advance planning has been submitted and will be included at this point in the record.

(The estimate referred to follows:)

BUREAU OF RECLAMATION

Upper Colorado River Basin Fund

Request \$550,000 for 12 months from July 1, 1962

Budget estimate next fiscal year: ¹ \$105,776,000

PURPOSE AND NEED FOR SUPPLEMENTAL FUNDS

To meet the 1963 fund requirements for advance planning work on the initial stage of the San Juan-Chama project, a participating project of the Colorado River storage project. The project was authorized for construction by Public Law 87-483, dated June 13, 1962.

Program and financing

[In thousands of dollars]

	Original estimate, 1963 as amended ¹	Revised estimate, 1963	Increase
Program by activities:			
Capital outlay: 2. Advance planning ² -----	\$1,210	\$1,760	+\$550
All other activities-----	104,832	104,832	-----
Total obligations-----	106,042	106,592	+550
Financing: New obligational authority (appropriation)---	105,776	106,326	+550
Total revenues and other receipts-----	271	271	-----
Capital transfer: Payment of earnings-----	-5	-5	-----
Financing applied to program-----	106,042	106,592	+550

¹ As amended by H. Doc. 422, dated May 24, 1962.² Covers revision in advance planning program, as follows: San Juan-Chama project, Colorado-New Mexico revised estimate, 1963, \$550; increase, +\$550.

Object classification

[In thousands of dollars]

	Original estimate, 1963, as amended ¹	Revised estimate, 1963	Increase
11 Personnel compensation:			
Permanent positions-----	10,892	11,222	+330
Positions other than permanent-----	221	221	-----
Other personnel services-----	280	280	-----
Total personnel compensation-----	11,393	11,723	+330
12 Personnel benefits-----	833	853	+20
21 Travel and transportation of persons-----	1,437	1,441	+4
22 Transportation of things-----	178	183	+5
23 Rent, communications, and utilities-----	408	411	+3
24 Printing and reproduction-----	39	40	+1
25 Other services-----	3,262	3,387	+125
Services of other agencies-----	253	253	-----
26 Supplies and materials-----	3,393	3,405	+12
31 Equipment-----	349	359	+10
32 Lands and structures-----	85,344	85,384	+40
41 Grants, subsidies, and contributions-----	875	875	-----
42 Insurance claims and indemnities-----	2	2	-----
Subtotal-----	107,766	108,316	+550
Deduct quarters and subsistence charges-----	278	278	-----
Total accrued expenditures-----	107,488	108,038	+550
Decrease (-) in unpaid undelivered orders-----	-1,446	-1,446	-----
Total obligations-----	106,042	106,592	+550

¹ As amended by H. Doc. 422, dated May 24, 1962.

UPPER COLORADO RIVER STORAGE PROJECT—UPPER COLORADO RIVER BASIN
FUND*Justification*

Fiscal year 1963:

Original estimate (as amended by H. Doc. 422, dated May 24, 1962)-----	\$105, 776, 000
Amended appropriation estimate-----	106, 326, 000
Increase-----	550, 000

An increase of \$550,000 is requested in the fiscal year 1963 appropriation estimate for the Upper Colorado River Basin fund for the initial stage of the San Juan-Chama project, a participating project of the Colorado River storage project, to be utilized for advance planning work. The project was authorized for construction by Public Law 87-483 dated June 13, 1962.

The advance planning work in fiscal year 1963 will encompass the initiation of detailed preconstruction studies leading to preparation of the definite plan report and start of construction in fiscal year 1964. These preconstruction studies will consist principally of foundation drilling at the major structure sites; collection of design data with primary emphasis on the Heron No. 4 dam and reservoir and the water collection system, which will be the initial features to be placed under construction; preparation of final design and estimates; mapping and land classification studies on the tributary units; preparation of a plan for and report on water accounting; and initiation of preparation of the definite plan report.

The San Juan-Chama project has been under investigation and consideration by the Congress for many years. Over those years, the local situation creating the need for the project has become more critical. The city of Albuquerque, the largest in New Mexico, has had a phenomenal growth and is facing a serious shortage of municipal and industrial water. The transbasin diversion of water from the San Juan River, by this project, represents the remaining major source of undeveloped water in New Mexico and, therefore, is the key to the continued growth of the city and the surrounding area. Another objective of the project is to provide supplemental water for several areas along tributaries of the Rio Grande where lack of late season irrigation water has created an economically distressed area.

Under the best of conditions, several years will be required to complete this project and make available the seriously needed water. To avoid a delay of another year in accomplishing the project goals, advance planning should be initiated in fiscal year 1963.

The Bureau can accomplish the proposed project work within its staffing estimates for fiscal year 1963 as reflected in the printed budget of the United States. The increased estimate for personal services requirements is offset by a reduction of the projected lapses in the use of scheduled permanent positions.

DESCRIPTION OF PROJECT

Chairman HAYDEN. Describe briefly the project and indicate the urgency of initiating work.

Mr. DENIT. The initial stage of the San Juan-Chama project will provide for the diversion of 110,000 feet of water from the San Juan River for utilization in the Rio Grande Basin in New Mexico; in other words, the water will be in effect transported from one basin to another.

This water would be used to provide a supplemental irrigation supply to 39,300 acres in the several tributary units of the Cerro, Llano, Taos, and Pojoaque, 81,600 in the Middle Rio Grande Conservancy District, and 50,000 acre-feet for municipal and industrial uses by the city of Albuquerque.

The physical facilities would comprise diversion works such as dams, canals, and tunnel, and regulation facilities which would consist of a dam and reservoirs, and enlargement of the outlet of an existing reservoir.

It is proposed that we concentrate our attention initially upon the completion of design data with primary emphasis on Heron No. 4 dam and reservoir.

We would propose to use the requested \$550,000 to prepare a plan for report on water accounting and develop the beginning of a definite plan report.

Chairman HAYDEN. That means that the tunnel would be delayed?

Mr. DENIT. Yes.

LENGTH OF TUNNEL

Chairman HAYDEN. How long is the tunnel?

Mr. BURNETT. This tunnel could vary considerably. It is about a 35-mile total length conduit, part of which is tunnel and part of which is open canal. In our final designs and plans we are thinking that it might eventually be all one tunnel—but we are still working on the plans—if we get this money.

Mr. DENIT. Mr. Chairman, again with respect to the urgency of getting started here, I think many of the points that I made regarding the Fryingpan-Arkansas project have equal application here. The middle Rio Grande irrigation area has been suffering from late season lack of water, and they have been retarded in their efforts to diversify and stabilize their crop production.

WATER SUPPLY FOR CITY OF ALBUQUERQUE

But more important, we have here in fact the last substantial water supply for the city of Albuquerque, the largest city in New Mexico. Here is a city which has had phenomenal recent growth; it has a very bright economic and industrial outlook. The city's entire economic destiny is intertwined with its ability to get a sound and assured water supply. If we don't get projects of this type started the limit upon the economic expectancy in these cities is such that the economy becomes stagnant, and it can't enlarge. And once that economic momentum is lost we then have all of the seeds sown that are necessary to convert it from a healthy, booming economy to one of distress. That is why, as I emphasized in Fryingpan-Arkansas, the time for action on these projects is now.

Despite the fact that they have been many years aborning, those years have been profitably spent in bringing them into the sound focus in which they are now presented.

So I think we have here a clear demonstration of a fact well known to you, and that is that the economic future of the entire West is inextricably intermingled with the assurance of water.

WATER FOR NAVAJO INDIAN RESERVATION PROJECT

Chairman HAYDEN. There is no question about that.

Just another matter in connection with this. When the project is completed there will be certain water supplied to the Navajo Indians for irrigation—I am talking about the dam on the river.

Mr. BURNETT. If I may, Mr. Chairman, the storage reservoir you referred to is undoubtedly the Navajo Dam and Reservoir which we closed in July and it is now filling with water. This was constructed as a regulating reservoir under the Storage Project Act. It will also supply water to the Navajo Indian irrigation project which was

authorized at this session and for which the Bureau of Indian Affairs is seeking funds.

Chairman HAYDEN. The dam is finished?

Mr. BURNETT. That is correct. And neither of these projects have any connection with the San Juan-Chama project that we are discussing. We divert the water from the San Juan-Chama merely by diversion dams on tributaries and carry it by tunnel onto the east slope where we use it for irrigation and municipal and industrial purposes.

Chairman HAYDEN. And this water never gets into the Navajo Reservoir?

Mr. BURNETT. That is correct.

LETTER FROM SENATOR ANDERSON

Chairman HAYDEN. I have a letter from Senator Anderson that I would like to include in the record at this point.

(The letter referred to follows:)

U.S. SENATE,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
September 18, 1962.

HON. CARL HAYDEN,
Chairman, Senate Appropriations Committee,
New Senate Office Building, Washington, D.C.

DEAR CARL: On May 29, 1962, just after S. 107, the bill to authorize the San Juan-Chama project by the Bureau of Reclamation, was cleared by Congress for the President's signature, I wrote you pointing out the need for advance planning funds being approved for use during fiscal year 1963. On June 13, 1962, President Kennedy signed this legislation into law and it became Public Law 87-483. Since this legislation did not become law until after the Bureau of Reclamation budget request was sent to Congress, funds were not included in the 1963 budget.

This project will provide supplemental water supplies to approximately 39,300 acres of land in the Rio Grande Basin in northern New Mexico, and to about 81,600 acres in the Middle Rio Grande Conservancy District. In addition, it will supply central New Mexico with much needed water for municipal, domestic, and industrial uses. It will also firm up the supply for defense installations in this area as well as provide recreation and fish and wildlife benefits. The need for more water in this area is becoming more critical year by year. Early construction of the project is therefore of vital importance to the economic welfare and stability of this part of my State.

The Bureau of Reclamation has advised me that they can use during the fiscal year 1963, \$550,000 of advance planning funds to initiate detailed preconstruction studies leading to the preparation of the definite plan report. The Bureau has further stated that it is ready to start these preconstruction studies now; and that if we are to start construction of the project in 1964, it will be necessary that funds be available in 1963 to complete the planning work.

This letter is to support the request of the Bureau of Reclamation for funds for this purpose, and to urge that they be included in the public works appropriation for fiscal year 1963.

The usual careful consideration given these matters by you and your committee will be appreciated by me and the people of New Mexico. I respectfully submit this letter and request that it be made a part of the record of the hearing on this subject.

Sincerely yours,

CLINTON P. ANDERSON.

HAYDEN-CHEYENNE TRANSMISSION LINE

Chairman HAYDEN. I have a letter dated September 17, 1962, which will be included in the hearing record. The Secretary of the Interior has requested committee approval to redesignate the Craig-Cheyenne transmission line in the Colorado River storage project as

the Hayden-Cheyenne line—I will tell you, by the way, that Hayden has nothing to do with Carl Hayden, it is the name of a town, I believe—and to advance the award of the prime contract for construction of towers, et cetera., to May 1963. This can be done with the funds included in the budget for preconstruction work. If there is no objection, the request will be granted.

(The letter referred to follows:)

DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., September 17, 1962.

HON. CARL HAYDEN,
Chairman, Committee on Appropriations,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Recent developments make it appropriate to request your consideration and approval of certain proposed changes in the fiscal year 1963 Bureau of Reclamation program in the interest of most efficient utilization of the funds requested for that year. These program changes, affecting the "Operation and maintenance" and the "Upper Colorado River Basin fund" appropriations, have recently been approved by the Bureau of the Budget. The proposed revision in the "Operation and maintenance" appropriation would result in a decrease of \$1,200,000 in funds requested. The revision proposed for the "Upper Colorado River Basin fund" appropriation is an internal change which would be accomplished within the appropriation request. The proposed changes are individually discussed hereafter:

Operation and maintenance.—Current review of the favorable water situation indicates that the programed requirement of some \$5,300,000 for purchased power and wheeling can be reduced by \$1,200,000. The request for funds for purchased power and related wheeling can be decreased \$500,000 for the Central Valley project and \$700,000 for the Missouri River Basin project. It is, therefore, requested that the "Operation and maintenance" appropriation request for fiscal year 1963 be reduced in the amount of \$1,200,000.

Upper Colorado River Basin fund.—The fiscal year 1963 budget request for the Colorado River storage project transmission division includes an item for the Craig-Cheyenne 230-kilovolt transmission line and substation with \$500,000 scheduled in fiscal year 1963 for preconstruction work only. The Bureau of Reclamation is proposing that these same funds be utilized for preconstruction work and the initiation of construction in May 1963 of the Hayden-Cheyenne line to serve the same purpose as the Craig-Cheyenne line which is to provide the connecting link between the CRSP transmission division system and the MRBP transmission division system. Designation of Hayden (approximately 12 miles east of Craig, Colo.) as the southwest terminal of the line results from the decision of the Colorado-Ute Electric Association, Inc., to locate its steamplant at that site rather than at Craig.

To meet the stipulated inservice date of September 1, 1965, contained in the contract recently negotiated with the Colorado Power & Light Co., it is desirable to have two full construction seasons for fieldwork on the line. Consequently, approval is requested to advance the award of the prime contract for construction of the towers, stringing conductor, etc., to May 1963. Your committee has often recognized the economical advantages of accelerating work in progress where there is no question of authorization or other problems. We feel that the Federal transmission line program in the Upper Colorado River storage project will be materially aided if you will approve the change thus enabling the award of the prime contract to be in May 1963.

Opportunity is taken at this time to note that there is before the Appropriations Committees a fiscal year 1963 supplemental appropriation request of \$1,075,000 to finance advance planning work on three recently authorized projects for the Bureau of Reclamation. The estimate for this requirement is included in House Document 525, 87th Congress, 2d session, dated August 20, 1962. Since the reduction of \$1,200,000 proposed above for the fiscal year 1963 "Operation and maintenance" appropriation more than offsets this supplemental request of \$1,075,000, the supplemental request if granted would still keep the total Reclamation budget within the limits of the President's budget request as amended. The three projects for which the advance planning supplemental funds are being requested are the Fryingpan-Arkansas project, Colorado, the Mann Creek project, Idaho, and the Arbuckle project, Oklahoma. There is an

immediate and compelling need for early initiation of construction on these three projects. The Fryingpan-Arkansas and Mann Creek project would embrace thousands of acres of high-quality land that are producing far less than their capability for want of supplemental water, a situation that is now causing a serious hardship for the farmers. In the case of the Arbuckle project, there already exists a critical need for additional municipal and industrial water in the area.

We realize that some of these recently authorized projects have been a number of years in the making. Legislative authorization has been granted only after full disclosure of compliance with all of the economic and financial criteria consistent with legislative and executive policy. The period which has elapsed has been to good purpose. At the same time, we all realize that the local needs which instigated consideration of the projects in the first place have grown increasingly critical with each passing month and year. Deferment of essential preconstruction work moves back the time at which the project benefits can begin to be realized by those most directly concerned. Each of the projects will require several years for completion. Thus, further current delay intensifies the local problems. Since, as shown, funds to cover the supplemental request may now be made available within the total of the President's budget for the Bureau of Reclamation, it is hoped that this matter will receive careful and sympathetic consideration by the committee.

Favorable action by your committee on the two program changes explained above is respectfully requested.

Sincerely yours,

D. OTIS BEASLEY,
Assistant Secretary of the Interior.

PURCHASE OF POWER

Chairman HAYDEN. In that same letter the committee is notified that the operation and maintenance budget for the Bureau of Reclamation can be reduced by \$1,200,000 originally requested for power purchases—\$500,000 for the Central Valley project and \$700,000 for the Missouri River Basin. At the same time he has suggested that this saving be partially offset by appropriation of \$1,075,000 for advance planning on the following recently authorized reclamation projects—Arbuckle project, Oklahoma, \$350,000; Fryingpan-Arkansas project, Colorado, \$600,000, about which you have already testified; and Mann Creek project, Idaho, \$125,000. Estimates were sent to Congress on August 17, 1962, as House Document 525. The justifications for these projects will be printed in the record.

(The justifications follow:)

BUREAU OF RECLAMATION

Construction and rehabilitation

Request.....	\$1, 075, 000
Budget estimate, fiscal year 1963 ¹	\$160, 625, 000
Employment:	
Average number, current estimate.....	4, 394
Number involved in this estimate.....	97
Actual employment, June 30, 1962.....	4, 675

¹ As amended by H. Doc. 422, dated May 24, 1962.

PURPOSE AND NEED FOR ADDITIONAL FUNDS

To meet fund requirements in the aggregate amount of \$1,075,000 for advance planning work in fiscal year 1963 on three projects recently authorized by Congress. The total estimated cost and the fiscal year 1963 fund requirements for each of these projects are as follows:

	Total estimated cost	Fiscal year 1963 fund requirement
Arbuckle project, Oklahoma.....	\$13,340,000	\$350,000
Fryingpan-Arkansas project, Colorado.....	169,905,000	600,000
Mann Creek project, Idaho.....	3,490,000	125,000

Program and financing

[In thousands of dollars]

	Original estimate, 1963, as amended ¹	Revised estimate, 1963	Increase
Program by activities:			
1. Advance planning ²	630	1,705	+1,075
All other activities.....	160,002	160,002	-----
Total obligations.....	160,632	161,707	+1,075
Financing:			
Unobligated balance brought forward.....	-86	-86	-----
Unobligated balance carried forward.....	79	79	-----
New obligational authority.....	160,625	161,700	+1,075
New obligational authority:			
Reclamation fund, special fund.....	75,000	75,000	-----
General fund.....	85,625	86,700	+1,075
Appropriation.....	160,625	161,700	+1,075

¹ As amended by H. Doc. 422, dated May 24, 1962.² Covers revision in advance planning program, as follows:

[In thousands of dollars]

	Revised estimate, 1963	Increase
Arbuckle project, Oklahoma.....	350	+350
Fryingpan-Arkansas project, Colorado.....	600	+600
Mann Creek project, Idaho.....	125	+125

Personnel summary

	1961 actual	1962 estimate	1963 revised estimate
Total number of permanent positions.....	4,226	5,000	4,699
Full-time equivalent of other positions.....	90	121	68
Average number of all employees.....	3,690	4,595	4,491
Number of employees at end of year.....	4,112	4,625	4,474
Average GS grade.....	7.4	7.3	7.4
Average GS salary.....	\$6,587	\$6,513	\$6,607
Average salary of ungraded positions.....	\$5,776	\$5,889	\$5,992

PROJECT DATA SHEET

PF-65
(7-58)
BUREAU OF RECLAMATION

LOCATION: Washita River Basin in Carter, Garver, and Murray Counties in Southcentral Oklahoma.			
AUTHORIZATION Act of August 1962		B/C RATIO 1.93	Date Sept. 1961
LAND CERTIFICATION None required		DEFINITE PLAN REPORT To be submitted June 1963	
SUMMARIZED		FINANCIAL DATA	
Total Federal Obligations	\$ 13,230,000	Appropriations to June 30, 1961	\$
Net Property and Other Transfers	100,000	Appropriations for F. Y. 1962	.....
Cash Advances--Non-Federal	10,000	Appropriations to Date	.....
Adjustment	319,000 1/	Initial Underfinancing F. Y. 1962	.....
Total to be Allocated	\$ 13,659,000	Appropriations Required for F. Y. 1963	350,000
		Balance to Complete after F. Y. 19	\$ 12,880,000
ALLOCATIONS		REPAYMENT	
Irrigation \$	Amount Repaid by Irrigators \$	AMOUNTS PER ACRE	
Power	Amount Repaid by Power	Irrig. Invest. per Acre \$	Payment Capacity per Acre \$
M. & I. Water 10,918,000 2/	Amount Repaid by M. & I. Water 2/ 10,918,000	Repayment of Investment per acre:	Annual Charges:
Flood Cont. 362,000		By Irrigators \$	O. & M. \$
Fish & W.L. 1,929,000		By Power Revenues	Construction
Recreation 450,000	Non - Reimbursable 2,741,000	By M. & I. Water Users	
Total \$ 13,659,000	Total \$ 13,659,000		Total \$
STATUS OF REPAYMENT CONTRACT: To be executed with the Arbuckle Master Conservancy District prior to start of construction.			
PRINCIPAL FEATURES			
	Size or Cap.	Completion % 1-1-62 Date	
Arbuckle Dam & Reservoir	105,800 A.F.	1 6-66	Fish & Wildlife Facilities
Pumping Plants	2	1 6-66	.....
Pipelines	44.7 Mt.	1 6-66	... 6-66
Permanent Operating Fac.	.....	... 6-66	
O & M Housing	.....	... 6-64	
Recreation Facilities	.....	... 6-66	
Acres Full Supply	Supplemental Supply	Total Acres	Power kw
Region 5	Date 8-20-62	Project and State Arbuckle Project, Oklahoma	

1/ Interest during construction on M & I facilities.
2/ Includes \$319,000 of interest during construction on M&I facilities.

PROJECT DATA SHEET

PF-65
(7-58)
BUREAU OF RECLAMATION

LOCATION: Central Colorado, involving Pitkin and Eagle Counties in Colorado River Basin and Lake, Chaffee, Fremont, El Paso, Pueblo, Crowley, Otero, Bent, Kiowa, and Prowers Counties in the Arkansas River Basin.			
AUTHORIZATION P. L. 590, 87th Congress, 2nd Session		B/C RATIO 1.65	Date March 1961
LAND CERTIFICATION August 1963		DEFINITE PLAN REPORT Report for initial features to be submitted prior to construction	
SUMMARIZED		FINANCIAL DATA	
Total Federal Obligations	\$ 166,525,000	Appropriations to June 30, 1961	\$
Net Property and Other Transfers	3,380,000	Appropriations for F. Y. 1962	.....
Cash Advances--Non-Federal		Appropriations to Date	.....
Adjustment 1/ 2/	2,965,000	Initial Underfinancing F. Y. 1962	.....
Total to be Allocated	\$ 172,870,000	Appropriations Required for F. Y. 1963	600,000
		Balance to Complete after F. Y. 1963	\$ 165,925,000
ALLOCATIONS		REPAYMENT	
Irrigation \$ 66,097,000	Amount Repaid by Irrigators \$ 46,686,000	AMOUNTS PER ACRE	
Power 1/ 64,851,000	Amount Repaid by Power 1/ 84,262,000	Irrig. Invest. per Acre \$ 235	Payment Capacity per Acre-foot \$ 6.15
M. & I. Water 2/ 23,014,000	Amount Repaid by M. & I. Water 2/ 23,014,000	Repayment of Investment per acre:	Annual Charges:
Flood Cont. 15,014,000		By Irrigators 2/ \$ 166	O. & M. \$ 0.68
Fish & W.L. 3,839,000		By Power Revenues 69	Construction 2.37
Recreation 55,000	Non - Reimbursable 18,908,000	By M. & I. Water Users	Ad Valorem 4.05
Total \$ 172,870,000	Total \$ 172,870,000	a/ Includes ad Valorem	Total/A.F. 7.60
STATUS OF REPAYMENT CONTRACT: Repayment contracts with the Southeastern Colorado Water Conservancy District scheduled for execution September 1963.			
PRINCIPAL FEATURES			
(See next page)	Size or Cap.	Completion % 1-1-62 Date	
Acres Full Supply --	Supplemental Supply 280,600	Total Acres 280,600	Power kw 123,900
Region 7	Date 8/20/62	Project and State Fryingpan-Arkansas Project, Colorado	

1/ Includes \$2,184,000 reimbursable interest during construction on commercial power investment.
2/ Includes \$781,000 reimbursable interest during construction on municipal and industrial water investment.

PROJECT DATA SHEET--2

Fryingpan-Arkansas Project, Colorado

Principal Features

	Size or Capacity	Completion	
		7-1-62	Date
Ruedi Dam and Reservoir	100,000	1	6-68
Fryingpan-Arkansas Divide Tunnel	900 c.f.s.--5.3 MI.	1	After 1968
Sugar Loaf Dam and Reservoir Enlargement	117,000 A.F.	1	" "
Twin Lake Dam and Reservoir Enlargement	260,000 A.F.	---	" "
Pueblo Dam, Reservoir, Powerplant, and Switchyard	400,000 A.F.--12,00 kw	---	" "
Salida Forebay and Afterbay	300 A.F. each	---	" "
South Side Collection System	19.6 MI.	1	" "
North Side Collection System	43.7 MI.	1	" "
Snowden Diversion Dam and Canal	10.0 MI.	---	" "
Elbert Powerplant, Switchyard and Canal	10,600 kw--19.2 MI.	---	" "
Otero-Wapaco Power System	40,400 kw--13.3 MI. of canal	---	" "
Princeton-Pancho Salida Power System	60,900 kw--29.5 MI. of canal	---	" "
Transmission Lines and Substations	-----	---	" "
Municipal Water System	189.0 MI.	---	" "
Permanent Operating Facilities	-----	---	" "
O & M Housing	-----	---	" "
Temporary Camps	-----	---	" "

PF-65
(7-58)
BUREAU OF RECLAMATION

PROJECT DATA SHEET

LOCATION Mann and Monroe Creeks, Tributaries of Weiser River, Washington County, Western Idaho			
AUTHORIZATION P. L. 87-589, Approved 8-16-62		B/C RATIO 1.52	Date August 1962
LAND CERTIFICATION September 1963		DEFINITE PLAN REPORT To be submitted July 1963	
SUMMARIZED FINANCIAL DATA			
Total Federal Obligations	\$ 3,355,000	Appropriations to June 30, 1961	\$
Net Property and Other Transfers	135,000	Appropriations for F. Y. 1962	.....
Cash Advances--Non-Federal	.....	Appropriations to Date	.....
Adjustment	.....	Initial Underfinancing F. Y. 1962	.....
Total to be Allocated	\$ 3,490,000	Appropriations Required for F. Y. 1963	125,000
		Balance to Complete after F. Y. 1963	\$ 3,230,000
ALLOCATIONS		REPAYMENT	
Irrigation	\$ 3,390,000	Amount Repaid by Irrigators	\$ 811,000
Power	.....	Amount Repaid by Power	2,579,000
M. & I. Water	.....	Amount Repaid by M. & I. Water	.....
Fish & W.L.	65,000		
Recreation	35,000		
Total	\$ 3,490,000	Non-Reimbursable	100,000
		Total	\$ 3,490,000
AMOUNTS PER ACRE			
Irrig. Invest. per Acre	\$ 670	Payment Capacity per Acre	\$ 7.34
Repayment of Investment per acre:		Annual Charges:	
By Irrigators	\$ 160	O. & M.	\$ 1.50
By Power Revenues	510	Construction	4.00
By M. & I. Water Users	.....	Total	\$ 5.50
STATUS OF REPAYMENT CONTRACT: Repayment contract scheduled to be executed September 1963.			
PRINCIPAL FEATURES			
	Size or Cap.	Completion 7-1-62	Date
Spangler Dam and Reservoir	13,000 A.F.	3	6-66
Mann Creek Drains	6.6 MI.	3	6-66
Permanent Operating Facility		---	6-66
Fish and Wildlife Facilities		---	6-66
Recreation Facilities		---	11-65
Acresage Full Supply	595	Supplemental Supply	4,465
		Total Acres	5,060
		Power kw	none
Region	Date	Project and State	
1	8-20-62	Mann Creek Project, Idaho	

Construction and rehabilitation justification

Fiscal year 1963 appropriation estimate now before Congress.....	\$160, 625, 000
Proposed supplemental appropriation.....	1, 075, 000
Total.....	161, 700, 000

A supplemental appropriation of \$1,075,000 is needed in fiscal year 1963 to provide funds as shown below for advance planning work on the following projects:

Arbuckle project, Oklahoma.....	\$350, 000
Fryingpan-Arkansas project, Colorado.....	600, 000
Mann Creek project, Idaho.....	125, 000
Total.....	1, 075, 000

The details and justifications for each of these projects follow:

ARBUCKLE PROJECT, OKLAHOMA

A supplemental appropriation of \$350,000 for fiscal year 1963 is requested for the Arbuckle project, Oklahoma, to be utilized for advance planning work. The project was authorized by Public Law 594 dated August 24, 1962. The total estimated cost of this multipurpose project is \$13,340,000.

The advance planning work in fiscal year 1963 will include preparation of the definite plan report, initiation of collection of design data for the dam, determination of land requirements, land appraisal work, land contract negotiations, and negotiations in connection with the execution of the repayment contract.

The principal feature of the project will be the Arbuckle dam and reservoir, with a total capacity of 226,450 acre-feet. This project will be a multipurpose development designed to provide municipal, domestic, and industrial water supplies, flood control, and fish and wildlife and recreational opportunities. The communities in the area experienced serious water shortages during the severe droughts in the 1950's and at the peak of the drought in 1956, the use of water had to be rationed. During this period the water supply shortage even extended to human consumption and fire prevention. In addition to the prevailing drought conditions, the rapid expansion in population of the communities has created an ever-expanding need for water. With the construction of Arbuckle Dam and Reservoir on Rock Creek, a tributary of the Washita River, the flooding along Rock Creek will be prevented and the magnitude of floods on the Washita River reduced.

FRYINGPAN-ARKANSAS PROJECT, COLORADO

A supplemental appropriation of \$600,000 for fiscal year 1963 is requested for the Fryingpan-Arkansas project to be utilized for advance planning work. The project was authorized for construction by Public Law 87-590 dated August 16, 1962. The total estimated cost of this multipurpose project is \$169,905,000.

The advance planning work in fiscal year 1963 will encompass aerial topographic mapping at Ruedi Dam Reservoir, foundation drilling, and materials exploration at Sugar Loaf, Twin Lakes, Pueblo, and Ruedi Dams and Reservoirs and the tunnel under the Continental Divide, hydrologic studies, and repayment contract negotiations.

The Fryingpan-Arkansas project has been under investigation and consideration by the Congress for many years. Over those years, the local situations creating the need for the project have become more critical. The principal objective of the project is to improve the water supply situation in the Arkansas Valley. In that valley, there are some 280,000 acres of land under irrigation but shortages of water for that purpose have averaged 35 percent and have been as high as 78 percent of crop requirements. A critical situation also exists regarding municipal and industrial water for Pueblo and Colorado Springs.

MANN CREEK PROJECT, IDAHO

A supplemental appropriation of \$125,000 for fiscal year 1963 is requested for the Mann Creek project, Idaho, to be utilized for advance planning work. The project was authorized for construction by Public Law 87-589 dated August 16, 1962. The total estimated cost of this multipurpose project is \$3,490,000.

The advance planning work in fiscal year 1963 will include the completion of the definite plan report, additional geologic explorations and collection of other basic data for preparation of final designs and specifications, contract negotiations, and negotiations for securing rights-of-way.

The principal feature of the Mann Creek project will be the Spangler Dam and Reservoir of 13,000 acre-feet capacity to conserve and regulate the flows of the Mann Creek. Most of the runoffs in this area occur during the spring of the year before it can be put to use, frequently causing floods and considerable loss and damage to property. The project will provide supplemental irrigation water to 4,465 acres and a full water supply to 595 acres on Mann and Monroe Creeks in western Idaho. The lack of a late season water supply has limited the quantity and type of agricultural production in the project area and has restricted the yields to amounts less than the lands are inherently capable of producing. With a timely and adequate water supply, the area has an ideal climate to grow fruits, berries, tomatoes, melons, and other similar crops which can replace the grain crops that are in surplus.

Advance planning should be initiated on the three projects described above in fiscal year 1963 in order not to delay their construction, which will require several years to complete.

The Bureau can accomplish the proposed work on these projects within its staffing estimates for fiscal year 1963 as reflected in the printed budget of the United States. The increased estimate for personal services requirements is offset by a reduction of the projected lapses in the use of scheduled permanent positions.

ARBUCKLE PROJECT, OKLAHOMA

Chairman HAYDEN. Please describe briefly the purpose of each project, the need for the funds at this time, and indicate the total estimated costs.

Mr. DENIT. We have already spoken to the Fryingpan-Arkansas project. In regard to the Arbuckle project in Oklahoma for which an advance planning estimate of \$350,000 is sought, the total estimated cost of this project is \$13,340,000. It is urgently needed to provide a dependable municipal and industrial water supply to meet the existing and projected needs of such local communities as Ardmore, Sulphur, Davis, Wynnewood, and the local industries that are being encouraged to develop there.

This area has suffered serious drought conditions during the 1950's which peaked in 1956, during which time it was necessary to ration water.

The construction of Arbuckle Dam and Reservoir with a capacity of about 108,500 acre-feet will correct the potential for serious water shortages, and provide for future economic growth.

It might be pointed out in this connection that Arbuckle Dam and Reservoir are located in Murray County, Okla., which has been designated by the Area Redevelopment Administration as a rural area in which there exist conditions of substantial and persistent unemployment or underemployment. And the community of Ardmore has been classified as an area of substantial unemployment for at least 9 months during the year ended April 1962.

These people have been undertaking, by means of acquiring a large military installation there and converting it into a multiple-tenancy private industrial base, to encourage and attract industry, and thereby shore up this persistent problem of unemployment.

But the industrial drain on water supplies under this existing situation is such that a barrier to the entire plan of economic stability is raised.

What we have here is essentially a proposal to satisfy and respond to this need for municipal and industrial stability.

Chairman HAYDEN. And very little for irrigation?

Mr. DENIT. Nothing for irrigation. It is all M. & I.

MANN CREEK PROJECT, IDAHO

Now, Mann Creek, Idaho, for which we seek \$125,000 for advance planning in 1963, would have a total cost of \$3,490,000. This, by contrast, is entirely irrigation. It would provide supplemental irrigation to some 4,465 acres, and a full water supply to 595 acres, all located in Western Idaho.

Spangler Dam and Reservoir would be the principal features of the project. These facilities will conserve and regulate the flow of Mann Creek. What happens in this area is that in the spring season there is too much water which is wasted and cannot be put to use, and then the water supply sloughs off so sharply that in the latter part and most critical part of the growing season, the water shortage is a critical problem.

By the same token, the lack of continuity in water supply has made these people solely dependent upon hay and grain operations as their only production possibilities, whereas an assured and stabilized water supply for this land would enable them to diversify their agricultural production.

The climate is ideal for seed and fruits, berries, tomatoes, melons, and there are ready markets for these products. This project would do much to overcome the marginal farming problems that now exist in the Mann Creek area.

Chairman HAYDEN. Does that cover all the projects?

Mr. DENIT. Yes.

Chairman HAYDEN. We thank you for your appearance.

(Whereupon, at 11:10 a.m., Tuesday, September 18, 1962, the committee adjourned, subject to the call of the Chair.)





