

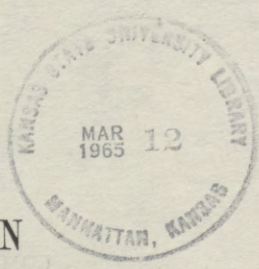
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# MANSON UNIT AND KENNEWICK EXTENSION, WASHINGTON

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## HEARING BEFORE THE SUBCOMMITTEE ON IRRIGATION AND RECLAMATION OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS UNITED STATES SENATE EIGHTY-NINTH CONGRESS



FIRST SESSION

S. 490

TO AUTHORIZE THE SECRETARY OF THE INTERIOR TO  
CONSTRUCT, OPERATE, AND MAINTAIN THE MANSON UNIT,  
CHELAN DIVISION, CHIEF JOSEPH DAM PROJECT, WASHING-  
TON, AND FOR OTHER PURPOSES

AND

S. 794

TO AMEND THE ACT OF JUNE 12, 1948 (62 STAT. 382), IN  
ORDER TO PROVIDE FOR THE CONSTRUCTION, OPERATION,  
AND MAINTENANCE OF THE KENNEWICK DIVISION EXTEN-  
SION, YAKIMA PROJECT, WASHINGTON, AND FOR OTHER  
PURPOSES

FEBRUARY 4, 1965

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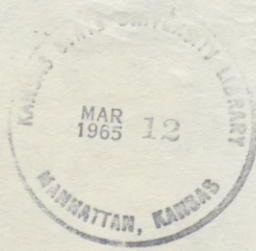
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# CONTENTS

	Page
S. 490-----	1
Department of Interior report-----	3
S. 794-----	2
Department of Interior report-----	5

## STATEMENTS

Dominy, Floyd, Commissioner of Reclamation; accompanied by J. Karl Lee, Assistant Chief, Project Development Division, and E. L. White, regional project engineer, Boise, Idaho-----	25
Foley, Hon. Thomas S., a U.S. Representative in Congress from the State of Washington-----	9
Holum, Hon. Kenneth, Assistant Secretary for Water and Power Development, Department of the Interior-----	12
Jackson, Hon. Henry M., a U.S. Senator from the State of Washington-----	8, 24
Welsh, William E., executive director, National Reclamation Association--	34
Woods, Wilfred R., publisher, Wenatchee Daily World-----	11

## COMMUNICATIONS

Baker, Charles, president, and West, Herbert G., executive vice president, Inland Empire Waterways Association: Telegram to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated February 3, 1965-----	38
Balcom, Maury, Ellensburg, Wash.: Letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated January 30, 1965-----	40
Evans, Hon. Daniel J., Governor, State of Washington: Telegram to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated February 1, 1965-----	37
Evans, Robert C., Jr., president, Prosser Chamber of Commerce: Letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated January 29, 1965-----	39
Hoppe, Rosadell, secretary, Kennewick Irrigation District: Letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated January 29, 1965-----	39
Lee, Glenn C., secretary, Tricity Nuclear Council, Pasco, Wash.: Telegram to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated February 2, 1965-----	40
Lowe, Leo E., manager, Washington Growers Clearing House Association, Inc.: Letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated February 1, 1965-----	37
Mellor, Ross, chairman, Kennewick Irrigation District Landowners Committee: Letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated January 29, 1965-----	38
Rolfs, A. R., manager, H. R. Spinner Co., Wenatchee, Wash.: Letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated January 29, 1965-----	37
Shaw, Marshall T., secretary, Kennewick Irrigation District Extension Landowners Committee: Letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated January 29, 1965-----	38
Sterling, G. L., secretary-manager, Kittitas Reclamation District: Letter to Hon. Henry M. Jackson, chairman, Interior and Insular Affairs Committee, dated January 29, 1965-----	39

CONTENTS

Department of Interior report ..... 1
Department of Interior report ..... 1

STATEMENTS

Statement of the Secretary of the Interior, Department of the Interior, Washington, D. C., before the Senate Committee on the Interior and Insular Affairs, on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1
Statement of the Secretary of the Interior, Department of the Interior, Washington, D. C., before the Senate Committee on the Interior and Insular Affairs, on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1

EXHIBITS

1. Report of the Secretary of the Interior, Department of the Interior, Washington, D. C., on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1
2. Report of the Secretary of the Interior, Department of the Interior, Washington, D. C., on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1
3. Report of the Secretary of the Interior, Department of the Interior, Washington, D. C., on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1
4. Report of the Secretary of the Interior, Department of the Interior, Washington, D. C., on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1
5. Report of the Secretary of the Interior, Department of the Interior, Washington, D. C., on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1
6. Report of the Secretary of the Interior, Department of the Interior, Washington, D. C., on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1
7. Report of the Secretary of the Interior, Department of the Interior, Washington, D. C., on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1
8. Report of the Secretary of the Interior, Department of the Interior, Washington, D. C., on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1
9. Report of the Secretary of the Interior, Department of the Interior, Washington, D. C., on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1
10. Report of the Secretary of the Interior, Department of the Interior, Washington, D. C., on the subject of the proposed reorganization of the Department of the Interior, July 1, 1917 ..... 1

## MANSON UNIT AND KENNEWICK EXTENSION, WASHINGTON

THURSDAY, FEBRUARY 4, 1965

U.S. SENATE,  
SUBCOMMITTEE ON IRRIGATION AND RECLAMATION,  
OF THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,  
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:15 a.m. in room 3110, New Senate Office Building, Senator Clinton P. Anderson (chairman of the subcommittee) presiding.

Present: Senators Jackson (chairman of the full committee), Anderson, Burdick, Allott, and Jordan of Idaho.

Also present: Jerry T. Verkler, staff director; Stewart French, chief counsel; Richard Little, minority counsel; and Richard W. C. Falknor, professional staff member.

Senator ANDERSON. The subcommittee will come to order.

This is an open public hearing by the Subcommittee on Irrigation and Reclamation of the Senate Interior Committee on two bills concerning construction, operation, and maintenance of two irrigation projects in the State of Washington. They are S. 490, for the Manson unit, Chelan division, Chief Joseph Dam project, and S. 794, for the Kennewick division extension, Yakima project.

Both of these measures were introduced by the distinguished chairman of the Interior Committee, Senator Jackson, for himself and his senior colleague from the State of Washington, Senator Magnuson.

Without objection, I will direct that the text of each appear in the record of these hearings.

(S. 490 and S. 794 follow:)

[S. 490, 89th Cong., 1st sess.]

A BILL To authorize the Secretary of the Interior to construct, operate, and maintain the Manson unit, Chelan division, Chief Joseph Dam project, Washington, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purposes of supplying irrigation water for approximately five thousand eight hundred acres of land, undertaking the rehabilitation and betterment of works serving a major portion of these lands, conservation and development of fish and wildlife resources, and enhancement of recreation opportunities, the Secretary of the Interior is authorized to construct, operate, and maintain the Manson unit, Chelan division, Chief Joseph Dam project, Washington, in accordance with the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto). The principal works of the unit shall consist of dams and related works for enlargement of Antilon Lake storage, related canals, conduits, and distribution systems, and works incidental to the rehabilitation of the existing irrigation system.

SEC. 2. Irrigation repayment contracts shall provide for repayment of the obligation assumed thereunder with respect to any contract unit over a period of not more than 50 years exclusive of any development period authorized by law. Construction costs allocated to irrigation beyond the ability of the irrigators to repay during the repayment period shall be returned to the Reclamation Fund from revenues derived by the Secretary from the disposition of power marketed through the Chief Joseph Dam project. The term "construction costs", as used herein, shall include any irrigation operation, maintenance, and replacement costs during the development period which the Secretary finds it proper to fund because they are beyond the ability of the irrigators to pay during that period. Power and energy required for irrigation water pumping for the Manson unit shall be made available by the Secretary from the Federal Columbia River power system at charges determined by the Secretary.

SEC. 3. The Secretary is authorized, as a part of the Manson unit, to construct, operate, and maintain or otherwise provide for basic public outdoor recreation facilities, to acquire or otherwise to include within the unit area such adjacent lands or interests therein as are necessary for present or future public recreation use, to assign water and reservoir capacity to recreation and to provide for public use and enjoyment of unit lands, facilities, and water areas in a manner coordinated with the other project purposes. The Secretary shall transfer lands acquired for the unit within exterior national forest boundaries to the Secretary of Agriculture for administration as national forest, and jurisdiction of national forest lands within the unit shall remain with the Secretary of Agriculture for recreation and other national forest system purposes: *Provided*, That the lands and waters within the flow lines of any reservoir or otherwise needed or used for the operation of the project for other purposes shall continue to be administered by the Secretary of the Interior to the extent he determines to be necessary for such operation. The costs of the undertakings described in this section, including costs of investigation, planning, Federal operation and maintenance, and an appropriate share of joint costs of the unit, shall be nonreimbursable.

SEC. 4. Costs of means and measures to prevent loss of and damage to fish and wildlife resources shall be considered as project costs and allocated as may be appropriate among other project functions.

SEC. 5. For a period of ten years from the date of enactment of this Act, no water shall be delivered to any water user on the Manson unit, Chelan division, for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301(b) (10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

SEC. 6. There are hereby authorized to be appropriated for construction of the new works involved in the Manson unit, \$12,400,000 (October 1959 prices), plus or minus such amounts, if any, as may be required by reason of changes in the cost of construction work of the types involved therein as shown by engineering cost indexes and, in addition thereto, such sums as may be required to operate and maintain said unit.

[S. 794, 89th Cong., 1st sess.]

A BILL To amend the Act of June 12, 1948 (62 Stat. 382), in order to provide for the construction, operation, and maintenance of the Kennewick division extension, Yakima project, Washington, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act of June 12, 1948 (62 Stat. 382), is hereby amended as follows:

(a) Insert the words "and Kennewick division extension", after the words "Kennewick division" in section 1 and add the following items to the principal units listed in said section: "Kiona siphon" and "Relift pumping plants".

(b) Insert at the end of section 3 the following: "Costs of the Kennewick division extension allocated to irrigation which are determined by the Secretary to be in excess of the water users' ability to repay within a fifty-six-year repayment period following a ten-year development period, to the extent they may

be in excess of Yakima project net power revenues in that period after meeting the requirements specified in (1), (2), and (3) above shall be returned to the reclamation fund from revenues derived by the Secretary from the disposition of power marketed through the Bonneville Power Administration from the McNary Dam project: *Provided*, That section 5 of this Act shall not be applicable to the revenues derived from the McNary Dam project."

SEC. 2. No water shall be delivered to any water user on the Kennewick division extension for a period of ten years from the date of enactment of this authorizing Act for the production on newly irrigated lands of any basic agricultural commodity, as defined in the Agricultural Act of 1949, or any amendment thereof, if the total supply of such commodity for the marketing year in which the bulk of the crop would normally be marketed is in excess of the normal supply as defined in section 301 (b) (10) of the Agricultural Adjustment Act of 1938, as amended, unless the Secretary of Agriculture calls for an increase in production of such commodity in the interest of national security.

SEC. 3. There is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, not to exceed \$5,500,000 to carry out the purposes of this Act.

Senator ANDERSON. Senators Jackson and Magnuson sponsored similar proposed legislation in the last Congress, the 88th. The Manson unit bill was S. 2533, and the Kennewick division was S. 2630. Both of these measures were the subject of hearings by our committee in the 88th Congress, both were reported favorably, and both were approved by the Senate but were not acted upon by the House.

I shall direct that the hearings in the 88th Congress on Manson and Kennewick be incorporated, by reference, into the record of these hearings. These hearings set forth statements from officials of the districts in which the projects are situated explaining the need for the works to be authorized and endorsing the bills.

As is usual, we will incorporate the reports from the executive agencies and pertinent statements from interested individuals which may be received subsequently.

S. 490 of this Congress is identical with S. 2533, as reported and passed by the Senate in the 88th Congress; and S. 794 is identical with S. 2630 as the Kennewick bill was reported and passed.

U.S. DEPARTMENT OF THE INTERIOR,  
OFFICE OF THE SECRETARY,  
Washington, D.C., February 3, 1965.

HON. HENRY M. JACKSON,  
*Chairman, Committee on Interior and Insular Affairs,*  
*U.S. Senate, Washington, D.C.*

DEAR SENATOR JACKSON: This responds to your request for the views of this Department on S. 490, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Manson unit, Chelan division, Chief Joseph Dam project, Washington, and for other purposes.

We recommend enactment of the bill with the amendments set out below.

The Manson unit, Chelan division, Chief Joseph Dam project, is located in Chelan County in central Washington. By climate, topography, and soils the area is especially well suited to the production of apples under sprinkler irrigation. The lands in the unit area that are now irrigated are devoted almost exclusively to apple production, and they have a successful history of such use running back over more than 50 years. The existing irrigation system is a composite of several privately financed developments which have been enlarged and improved over the years. The capacity of these facilities for water collection, storage, and delivery is no longer adequate. Also, they are aging; consequently, failures are frequent, and maintenance is difficult and expensive. To accomplish necessary overhaul, rehabilitation, and enlargement is beyond the financial capacity of the Chelan County Reclamation District.

The Bureau of Reclamation plan of development for the unit area would embrace the following activities: Rehabilitation and enlargement of the 20-mile system for collection of water from the watersheds of seven creeks in the mountain region adjacent to the unit; enlargement of the storage reservoir, Antilon Lake, from 2,500 to 9,000 acre-feet by construction of one dam and enlargement of another; and rehabilitation and extension of the distribution system to continue service to 3,965 acres now irrigated, and to bring a full supply of irrigation water to an additional 1,525 acres of irrigable lands now receiving a partial supply, or being dry farmed. An additional 280 acres of land with established water rights, some in Indian trust status, and some which would not be considered irrigable under reclamation standards, will continue to receive their water entitlements. A total of 5,770 acres will be served with irrigation water through the unit.

Through expansion of irrigated acreage the basis will be laid to develop 78 new irrigated farms on lands that are excellent for apple orchards. We expect that new farm units would be developed for apple production. Rehabilitation of the existing system will permit uninterrupted service to continue on an economical basis to the existing farm units in the area, thus materially contributing to the economic stability of the county, which has been designated a rural development area under the Area Redevelopment Act. The economic merits of this unit are indicated by the extremely high benefit-cost ratio of 6.6 to 1. Area redevelopment benefits were included in computing the ratio; absent area redevelopment benefits the benefit-cost ratio would be 6.5 to 1.

Construction of the unit is expected to cost \$12,363,000. This cost is allocated among the purposes of the unit as follows:

Irrigation.....	\$12,220,000
Fish and wildlife enactment.....	143,000
Total.....	12,363,000

Costs allocated to recreation would be nonreimbursable under section 3 of the bill. With respect to costs allocated to fish and wildlife enhancement, it is found pursuant to the Fish and Wildlife Coordination Act that all such costs shall also be nonreimbursable.

In conformity with current policy the costs of mitigation of project-occasioned damage to fish and wildlife resources have been treated as a project cost and allocated among all project functions. Section 4 of the bill authorizes this.

Of the \$12,220,000 allocated to irrigation, which would be reimbursable without interest, the water users would repay \$6,050,800. The balance of \$6,169,200, which is beyond their ability to repay, would be returned to the reclamation fund from revenues derived from the marketing of power. Under the bill the source of these power revenues would be the Chief Joseph Dam project. Payout procedures now in effect for the Federal Columbia River power system, of which the Chief Joseph Dam project is a unit, pool revenues from all units on a consolidated system basis. All financial obligations, including irrigation assistance as authorized, are met from the pooled revenues. This procedure is generally similar to procedures employed in the Central Valley of California and the Missouri River Basin. To conform S. 490 to the aforesaid payout procedure, the Federal Columbia River power system as a whole—and not just the Chief Joseph Dam project—should be made the source of financial assistance. The words “Chief Joseph Dam project” should be deleted from line 16, page 2, and the words “Bonneville Power Administration” substituted.

Because orchards are slow to come into production the farmers whose lands are not now in orchards will require a 10-year development period for their farms before they begin to repay irrigation construction costs. In fact, their revenues will be so low that they will not have the financial capacity to bear the entire costs of operation and maintenance during the development period. For that reason it is proposed to fund some \$87,000 of operation and maintenance costs during the development period as an irrigation cost item for repayment during the ensuing 50-year repayment period. This practice has been followed in other similar situations, such as on the Greater Wenatchee division of the Chief Joseph Dam project (act of May 5, 1958 (72 Stat. 104)). Landowners whose lands are already in orchards will be permitted a 3-year development period to adjust their operations to the new project conditions.

Section 2 of the bill provides for funding these operation and maintenance costs as well as establishing a 50-year repayment period, providing for financial assistance from power revenues, and reserving irrigation pumping power.

For purposes of clarification we believe the following should be added as the last sentence of section 3:

"Nothing herein shall limit the authority of the Secretary of the Interior granted by existing provisions of law relating to recreation development of water resource projects or to disposition of public lands for recreational purposes."

Enclosed is the statement concerning estimated personnel and other requirements as required by Public Law 801, 84th Congress.

Draft legislation regarding fish and wildlife and recreation at water resource projects is currently under review in the executive branch. Until this review has been completed no position can be taken by the executive branch on the fish and wildlife and recreation aspects of this legislation.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

KENNETH HOLUM,  
Assistant Secretary of the Interior.

[Enclosure]

CHELAN DIVISION, CHIEF JOSEPH DAM PROJECT, WASHINGTON

*Estimated additional man-years of civilian employment and expenditures for the 1st 5 years of proposed new or expanded programs, as required by Public Law 801, 84th Cong.*

	1st year	2d year	3d year	4th year	5th year
Estimated additional man-years of civilian employment:					
Administrative services: Clerical.....	None	3.0	3.0	3	3.0
Substantive (program): Engineering aids and technicians.....	None	5.0	6.0	6	5.0
Total estimated additional man-years.....	None	7.5	9.0	9	6.2
Total estimated man-years of civilian employment.....	None	29.3	42.8	45	30.8

	General investigation expenses	1st year	2d year	3d year	4th year
Estimated expenditures:					
Personal services.....		\$194,750	\$294,644	\$309,830	\$214,374
All other.....		584,250	2,650,356	4,877,170	1,779,626
Total estimated expenditures.....	\$136,000	779,000	2,945,000	5,187,000	1,994,000

U.S. DEPARTMENT OF THE INTERIOR  
OFFICE OF THE SECRETARY,  
Washington, D.C., February 3, 1965.

HON. HENRY M. JACKSON,  
Chairman, Committee on Interior and Insular Affairs,  
U.S. Senate, Washington, D.C.

DEAR SENATOR JACKSON: This responds to your request for the views of this Department on S. 794, a bill to amend the act of June 12, 1948 (62 Stat. 382), in order to provide for the construction, operation, and maintenance of the Kennewick division extension, Yakima project, Washington, and for other purposes.

We recommend enactment of the bill if it is amended as suggested hereinafter. S. 794 would authorize the Secretary of the Interior to construct, operate, and maintain the Kennewick division extension, a 6,300-acre irrigation development of the Kennewick division, Yakima project, Washington. This would be accomplished through appropriate amendments to the act of June 12, 1948 (62 Stat. 382) which authorized the Kennewick division. The bill provides that financial assistance from McNary Dam power revenues shall be available to repay

costs allocated to irrigation which are beyond the ability of the water users to repay and which cannot be met from net power revenues of the Yakima project itself.

The existing Kennewick division serves about 19,000 acres of land. Section 6 of the act of June 12, 1948, authorized the Secretary of the Interior to construct extra capacity in the division's main canal to provide for the future irrigation of approximately 7,000 acres of land in addition to the then proposed development, and to recognize the cost of providing such capacity as a deferred obligation to be paid at such time as the additional area was brought into the project. The main canal was constructed with extra capacity at a cost of \$341,000, which has since been carried as a deferred obligation.

The Kennewick division extension would utilize the capacity thus provided, together with additional works which would be constructed, to deliver an irrigation water supply to the 6,300 acres of extension lands. Specific new works required are a hydraulic pump at the Chandler pumping plant to lift additional water into the main canal, through which the water would flow for 6.7 miles. There it would be diverted into the Kiona siphon, which would carry the water 5,800 feet across Badger Draw to the extension lands. Six relift pump plants, six main canals, a system of laterals and drainage works, and electrical transmission facilities to serve the pumping installations are the remaining new facilities required. Power and energy for irrigation water pumping for the extension will be made available from the Federal Columbia River power system at charges determined by the Secretary of the Interior.

Most of the lands of the Kennewick division extension are presently dry. About 100 acres of the best lands have been planted to dry land wheat. The balance supports only sage brush and native grasses used for livestock grazing. Under project development the primary land use expected would be for growing feed and general row crops. Lesser acreages of fruit and specialty crops—grapes, sweet cherries, prunes, peaches, apricots, mint, and asparagus—would also probably be produced. The soil and climate are well suited to all the foregoing crops.

The Kennewick Irrigation District has long been interested in full development of the irrigable lands in the area. The district supported development of the entire area when Kennewick division lands were brought under irrigation. Nearly all the lands in the extension have been in the district for many years.

The Kennewick division extension is basically an irrigation development, but benefits to wildlife resources will also be realized. The Fish and Wildlife Service reports that irrigation of these lands will be beneficial to upland game birds. Opportunities to develop significant benefits to recreation, flood control, municipal and industrial water supply, or other purposes are not available.

The total investment in the Kennewick division extension would be \$5,250,400. This is made up of \$4,720,000 in construction costs (January 1962 prices) \$341,000 in deferred costs of the Kennewick division attributable to enlarged main canal capacity and assignable to the division extension, and the extension's pro rata share of storage costs of the Yakima project, \$189,000.

Of the foregoing cost, \$5,115,500 is allocated to irrigation and \$134,900 to fish and wildlife enhancement. The costs allocated to fish and wildlife enhancement would be nonreimbursable. Costs allocated to irrigation would be reimbursable without interest. The irrigators would return \$1,914,640 or 37.4 percent of the costs allocated to irrigation. The \$3,200,860 financial assistance required would be derived from power revenues. The Kennewick division's Chandler powerplant, which is a unit of the Federal Columbia River power system, would provide a portion of the financial assistance. The repayment schedules for the Kennewick division, including the Chandler powerplant, provide that its costs will be amortized before the end of the repayment period for the extension lands. Power revenues theretofore devoted to repaying Kennewick division costs would then become available for financial assistance to the extension. Under the bill the remaining financial assistance required would come from revenues derived from the disposition of power generated at McNary Dam.

Payout procedures now in effect for the Federal Columbia River power system, of which the McNary Dam is a unit, pool revenues from all units on a consolidated system basis; all financial obligations, including irrigation assistance as authorized, are met from the pooled system revenues. This procedure is generally similar to those employed in the Central Valley of California and the Missouri River Basin. All presently authorized major units of the Federal Columbia

River power system will have been paid out before the Kennewick division extension repayment period expires and the financial assistance requirements for the extension will be only a small fraction of 1 year's net revenues from the power system.

To conform S. 794 to the aforesaid payout procedure, the Federal Columbia River power system as a whole—and not just the McNary Dam—should be made the source of financial assistance. The words “from the McNary Dam project” should therefore be deleted from section 1 of the bill.

Policies in effect at the time the Kennewick division was authorized required that all reimbursable project costs be repaid from revenues derived from the project. This required an overall repayment period of 66 years for the facilities built under the 1948 act. S. 794, which would authorize the Kennewick division extension by adding it to the authorization of the 1948 act, would make the same repayment period applicable to the extension. We believe that this is appropriate even though current congressional policy is that reimbursable reclamation project costs shall be returned in full within 50 years. The extension water users will be using many of the same facilities, and will bear a prorated share of the district operation, maintenance, and replacement costs as do other Kennewick division water users. It is equitable that their repayment obligation should run for the same number of years as other division water users. Irrigation water users make annual payments toward retiring irrigation cost allocations in accordance with their ability to pay. Thus, the effect of a longer repayment period is that the water users bear more of the irrigation costs.

Section 5 of the act of June 12, 1948, provides that one-fifth of the revenues derived from the interest component of power rates of the Kennewick division, Yakima project, may be applied toward repayment of Kennewick division irrigation costs assigned for return from power revenues. Under S. 794 this arrangement would extend to the Kennewick division extension as well. The proviso appearing at the end of section 1 of the bill is intended to limit the availability of revenues derived as interest for financial assistance to revenues attributable to the Kennewick division power facilities (Chandler powerplant) and insure that revenues derived from the interest component of power rates of the McNary Dam project, which the bill contemplates as the source of supplementary financial assistance for the extension shall not be available for financial assistance to the extension. As we have indicated above, the source of supplementary financial assistance should be changed from the McNary Dam to the entire Federal Columbia River power system. To retain the availability as financial assistance of a part of the interest revenues from the Chandler powerplant—from which the Bonneville Power Administration markets the power—but limit the availability of interest revenues for that purpose to the Chandler powerplant, the proviso should be changed to read as follows:

*“Provided, That section 5 of this Act shall apply only to revenues derived from the interest component of power rates of the Kennewick division, Yakima project.”*

Several years may elapse between authorization of the Kennewick extension and execution of construction contracts. Therefore, we recommend that section 3, establishing the appropriations ceiling, be amended to establish the ceiling at the current construction cost estimate with a provision for cost indexing. This could be accomplished by substituting the following for section 3:

*“SEC. 3. There are authorized to be appropriated for the new works associated with the Kennewick division extension \$5,155,000 (October 1964 prices) plus or minus such amounts, if any, as may be required by reason of changes in the cost of construction work of the types involved therein, as shown by engineering cost indexes, and, in addition, such sums as may be required to operate and maintain the extension.”*

Draft legislation regarding fish and wildlife and recreation at water resource projects is currently under review in the executive branch. Until this review has been completed no position can be taken by the executive branch on the fish and wildlife and recreation aspects of this legislation.

A statement of personnel and other requirements that enactment of this legislation would entail is enclosed in accordance with the provisions of Public Law 801, 84th Congress.

The Bureau of the Budget has advised that there is no objection to the presentation of this report from the standpoint of the administration's program.

Sincerely yours,

KENNETH HOLUM,  
Assistant Secretary of the Interior.

[Enclosure]

## KENNEWICK DIVISION EXTENSION, YAKIMA PROJECT, WASHINGTON

*Estimated additional personnel and funds for construction (in compliance with Public Law 801, 84th Cong.)*<sup>1</sup>

Executive direction	1st year <sup>2</sup>	2d year	3d year	4th year	5th year
Administrative services and support:					
Clerical and stenographic.....		2	2	2	1
Subtotal, administrative.....		2	2	2	1
Substantive (program): Engineering aids and technicians.....		2	2	2	
Subtotal, substantive.....		2	2	2	
Total positions.....		4	4	4	1
Total estimated additional man-years <sup>3</sup> .....		4	4	3.1	0.4
Expenditure for additional man-years <sup>3</sup> .....		\$19,100	\$19,100	\$14,803	\$1,910
Total estimated man-years of civilian employment.....		19	25.4	20	1
Total estimated expenditures:					
Project personal services.....		\$132,523	\$180,613	\$146,131	\$8,282
All other.....		506,477	2,379,387	976,869	1,718
Total estimated expenditures.....	\$80,000	639,000	2,560,000	1,123,000	10,000

<sup>1</sup> Salary levels are those which became effective Jan. 5, 1964.<sup>2</sup> 1st-year activity will use general investigations personnel and details from other offices.<sup>3</sup> Data shown for additional man-years, and expenditures for additional man-years are estimated for recruitment outside the Bureau within the regional area. Regional experience indicates that such recruitment is only necessary for the low-grade engineering and clerical positions (GS-3 and GS-4). The region does not have available experience records on the net effect to recruitment requirements from outside the Bureau which may result from the transfer of career personnel between regions to fill key positions.

Senator ANDERSON. The subcommittee is fortunate today to have as our first witness the author of both bills, Senator Jackson of Washington, who is the chairman of the full committee.

**STATEMENT OF HON. HENRY M. JACKSON, A U.S. SENATOR FROM THE STATE OF WASHINGTON**

Senator JACKSON. Senator Anderson and distinguished colleagues, I appear this morning on behalf of Senator Magnuson and myself to urge your favorable consideration of S. 490, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the Manson unit, Chelan division, Chief Joseph Dam project, Washington, and for other purposes.

Congressman Foley, who represents that district now, will also be making a statement following mine.

The Manson unit contains 5,770 irrigable acres of rolling hillsides and terraces along the north shore of Lake Chelan. The unit lands are devoted almost exclusively to apple orchards which have had a profitable history of production since private irrigation systems began serving the area in 1908.

The area is served by a patchwork collection and distribution system consisting mainly of woodstave pipes and flumes that have been in use for as long as 35 years. These would be rehabilitated and enlarged under this proposal, with the entire collection system being replaced by buried mortar-lined and coated steel pipe.

The storage system would be enlarged by increasing the capacity of the Antilon Reservoir from 2,500 to 9,000 acre-feet through construction of a new dam at the upper end of the reservoir and through the enlargement of the Antilon Lake Dam at the lower end of the reservoir.

The benefit-cost ratio is an unusually high one, 6.5 to 1.

This committee and the whole Senate approved the Manson project last June, and I should like once more to commend it to you for similarly prompt action. I should also like to have included in the committee's record of the hearing a number of communications I have received on behalf of S. 490.

Thank you.

I believe, gentlemen, that Mr. Foley is here.

Senator ANDERSON. I want to say to you that if you have a 6.5 cost benefit ratio that is better than others that we have been dealing with which have had rates of 1.1 to 1 and 1.2 to 1. And 6.5 is an unusual one.

We will be very happy to welcome and to hear you now, Mr. Foley.

Senator JACKSON. I want to join the chairman in that welcome. As you will recall, Mr. Foley served very ably for a number of years on the staff of the committee. Now he is the Congressman from the district where the Manson unit is located. He is a native of the district. And he is familiar with the many challenges that they face there.

It is a special privilege to join Senator Anderson's welcome to you, Congressman Foley.

**STATEMENT OF HON. THOMAS S. FOLEY, A U.S. REPRESENTATIVE  
IN CONGRESS FROM THE FIFTH CONGRESSIONAL DISTRICT OF  
THE STATE OF WASHINGTON**

Mr. FOLEY. Thank you very much, Mr. Chairman, and especially now do I appreciate this opportunity to appear before the Subcommittee on Irrigation and Reclamation of the Senate Committee on Interior and Insular Affairs.

The Manson project is a subject that I am intimately familiar with. I came to service in the Senate as a professional staff member, serving under the distinguished Senator, Senator Anderson, chairman of the subcommittee, and Senator Jackson, chairman of the full committee.

I wonder if I might have your permission to have with me at the table Mr. Wilfred Woods, publisher of the Wenatchee Daily World?

Senator ANDERSON. We will be glad to have Mr. Woods sit with you.

Mr. FOLEY. I might just say, parenthetically, that Mr. Woods is the publisher of the Wenatchee Daily World, which is the major daily newspaper in north-central Washington. He is a son of Rufus Woods, the founder and former publisher of the newspaper, who was one of the principal movers of the Grand Coulee Dam project. It is a great pleasure to have Mr. Woods with me today. He is here to add his support to the project requested.

Senator ANDERSON. We are glad that you brought him along. His father was probably as well known to the committee and to the various constituents and people in the region as anyone. He was a real friend of progress in the Northwest.

Senator JACKSON. I want to say that his son, Mr. Woods, who is here today, has been carrying on the tradition of his father. We are deeply conscious of his son's own achievements.

Mr. FOLEY. That is true, Mr. Chairman, and I think that he will continue to be a major force in the development of that part of Washington.

First of all, I would like to join in the remarks of Senator Jackson in complimenting this subcommittee for its prompt action in considering this project. Again we are faced with a special emergency in this program.

Parts of the Manson unit were constructed almost 50 years ago. They are in very serious condition. And the people in this area depend on this water, living as they do with the fear that the next year may bring a collapse of the system and severe economic loss, not only to the immediate farming area but to the entire land irrigation area.

The Manson unit has a benefit-to-cost ratio of over 6 to 1. I need not tell the members of this subcommittee how unusual that is.

I should like to ask, with the Chair's permission, to incorporate my statement into the record. I shall not read the entire statement. I only wish to make a few comments.

Senator ANDERSON. You may do that.

Mr. FOLEY. This area is an exceptional food-growing area. It produces very high quality Delicious apples, for which the entire Northwest section is famous. It has the climate and topography to produce an outstanding product which commands premium prices in the market.

The original works which were constructed, as I said, were constructed, in part, over 50 years ago. They now face a precarious existence.

The facility may fail at any time and consequently force the orchardists in this area to be without water. Therefore, time is of the essence.

I feel hesitant, as a Member of the House of Representatives, in suggesting urgency to the Senate that acted so promptly last year on this legislation. It failed of passage in the house, however. I do feel that it is important that both bodies act quickly however to restore the system.

I might also point out, Mr. Chairman, that the irrigation works will not serve the production of any crops in surplus. In fact, there is a high demand for the particular crop that is raised in this irrigated area.

(The prepared statement referred to follows:)

STATEMENT OF HON. THOMAS S. FOLEY, MEMBER OF CONGRESS, FIFTH DISTRICT, WASHINGTON

As consideration is given to the need for the Manson unit of the Chelan division of the Chief Joseph project, I recall the recent words of the president of the board of directors of the Lake Chelan Irrigation District: "Manson is living on borrowed time," he said.

The lifeline of the Manson area is an old water system, parts of which were built a half century ago. There is severe erosion of flumes and pipes. One key feature of the project is the Mitchell Creek siphon. A few years ago a competent engineer advised the water users they could expect no more than 7 years of use from the siphon. Each year water users hope that they can get one more season of performance out of that siphon.

But the siphon could collapse at any time. If that should happen, the prime source of water to the farms would be shut off, and the economic losses to the whole Lake Chelan district would be most severe.

Thus it is that we face a real urgency in the consideration of a rehabilitation project to restore the works of this irrigation district and to provide its lands with an assured supply of water.

The Manson area is famous not only in Washington State but nationally in the produce business. Its apples are of a distinctively high quality. The elevation, the proximity to Lake Chelan, the closeness to the Cascades which rise above the head of the lake; all these factors give this area special ability to grow a quality product.

In almost every stage of the apple marketing season, the remarkable apples from this part of the Lake Chelan district command premium prices.

Agricultural pioneers in this district decades ago recognized these natural gifts of the land and climate. But the dry lands needed water. The builders of this area constructed an unusual water supply system. They built pipelines across rocky walls above Lake Chelan, to capture and convey to the lands the waters of seven small streams.

Now, however, the water distribution system is suffering severe infirmities of old age.

The water users of the Manson area, as have water users elsewhere in the Nation over the years, now turn to the Reclamation Act of 1902 as a means of rehabilitating their irrigation system.

The Bureau of Reclamation of the Department of the Interior has made detailed investigations of the project and it has found to be an exceptionally feasible project. In fact, its benefit-to-cost ratio is more than 6 to 1.

Of the \$12,220,000 allocated to irrigation, reimbursable without interest, water users would repay more than one-half. The balance, which is beyond the repayment ability of water users, would be repaid from power revenues from Chief Joseph Dam.

Thus, in summary, I would respectfully point out to this subcommittee that this is a project of exceptional merit: It has an extremely high benefit-to-cost ratio, it is financially sound and it is in the best tradition of the Federal reclamation program.

Mr. FOLEY. I might at this time, if I may, ask to yield for a moment to Mr. Woods who would like to make a brief statement to the committee.

Senator ANDERSON. We will be very happy to hear from you, Mr. Woods.

#### STATEMENT OF WILFRED R. WOODS, PUBLISHER, WENATCHEE DAILY WORLD

Mr. Woods. Thank you, sir.

I would just like to say that this particular Manson area is the very cream of our apple-producing area. And, as has been mentioned, its artery is one long pipeline which meanders along the side hills. And the loss of this particular artery which is hardening, so to speak, would not be just the loss of a crop. If we had a disaster and lost this particular pipeline during the growing season, we could lose the orchards as well. These are extremely high-value orchards which have been under development for a long time.

We are not only talking of just the mere crop loss but of a potential long-term economic crisis—a situation which could result if that particular artery were lost.

I appreciate this opportunity of appearing before your committee, sir, and we want you to know that we in our area have appreciated the interest of Mr. Jackson and the members of the committee, because this Manson area is the very top of the cream in terms of our apple production.

Thank you very much.

Senator ANDERSON. Thank you, Mr. Woods.

We will next hear from Mr. Holum, the Assistant Secretary of the Interior for Water and Power.

**STATEMENT OF HON. KENNETH HOLUM, ASSISTANT SECRETARY  
FOR WATER AND POWER DEVELOPMENT, DEPARTMENT OF THE  
INTERIOR**

Mr. HOLUM. Thank you, Mr. Chairman and members of the committee. It is a pleasure to have this opportunity to appear before you this morning in support of these two projects in the State of Washington that have been presented to you very competently by Senator Jackson and Congressman Foley and Mr. Woods. I suspect that what I have to say this morning will be repetitious of what they have offered to you already.

I want to say that I am here, in part, this morning because this is the first reclamation project that has been called for hearing in the 89th Congress. And I want to express my appreciation to the committee and its members for the courtesies you have always shown us and the leadership you have provided in formulating meaningful water resource development policies and programs which come under the administrative responsibilities of the Department of the Interior.

Secretary Udall continues to emphasize his keen interest in making certain that all of the members of the staff and all of us who work and are associated with him should work closer with the members of your committee in making certain that we provide to you actual, accurate, and factual data that will form the basis of the decision that the Congress has to make.

You have asked that the projects be explained in detail and I should like very much to leave that responsibility to Mr. Dominy and members of his staff who are here and who will appear before the committee to do that.

As soon as I have completed my statement, they will give you, I am sure, all of the information that the committee requires on the physical characteristics of the project, the cost-benefit ratios, and the provisions that have been made for repayment, et cetera.

We look forward to another useful and productive year of working with this committee and the Congress as we offer new projects and new resource development proposals for your consideration.

This committee has demonstrated that it is keenly interested in those programs which are based upon sound principles of conservation and resource utilization. We shall always endeavor to present our projects within this framework.

The Department of the Interior and its Bureau of Reclamation have given careful consideration to a substantial number of specific projects designed to continue economic development of the West and the Nation. Some of these projects have been considered by earlier Congresses without final decisions. Others will be submitted for initial consideration by the first session of this Congress.

Some of the proposals we hope to submit will be designed to meet urgent regionwide water problems. I am sure that we all agree

that the Pacific Southwest region deserves our best planning and thinking.

We will plan to discuss with you other projects that represent substantial investments that are of critical importance to regions within States. The Garrison diversion project in North Dakota and the proposed Auburn-Folsom South addition to the Central Valley project in California are in this category. The members of this committee know well the merits of both of these units.

As we focus our attention on regionwide water problems or units that represent substantial investments, we also must remember that smaller projects are equally important in a continuing, orderly resource development program. The units you are considering this morning are small but important.

The extension will cost approximately \$5 million.

These undertakings dedicate local water supplies to local uses. They are an essential component of good water planning, involving use of water on the basin, State, and regional level. Although we have not yet completed comprehensive plans for the Columbia River Basin, the local projects we are here to discuss today will certainly fit any appropriate framework for overall planning.

We recognize that there is growing concern over the relationship between the irrigation features of the Bureau of Reclamation's broad comprehensive water resource plannings and the production of certain agricultural commodities which are available in surplus supply. This is a concern that merits our careful consideration and yours. Commissioner Dominy and I, along with others who speak for reclamation, will provide the Congress with the most reliable information that we can assemble on each project as we appear before you advocating authorization.

The Manson unit, Chelan division, Chief Joseph Dam project, will more effectively use available water supplies from tributaries of Lake Chelan for the production of high-quality apples. The Kennewick division extension of the Yakima project will use the waters of the Yakima River to produce diversified crops, largely forage, but with substantial acreages of specialty and fruit crops, such as mint, asparagus, grapes, cherries, prunes, peaches, and apricots.

As we consider these two projects, it is appropriate to underscore the important contribution that the reclamation program has made to the Nation's dietary standards by making available a wide variety of fresh fruits, vegetables, and specialty crops.

The water users on these proposed irrigation developments are ready and willing to bear the cost of the improvements to the full extent of their ability to pay. However, the costs in each case will exceed their ability, and it has been found necessary to recommend a source of financial assistance. We recommend that such assistance be derived from pooled revenues of the entire Columbia River Federal power system. In order to accomplish this purpose, we have recommended amendments to S. 490 and S. 794, which now provide such assistance be derived from the Chief Joseph Dam project and the McNary project, respectively. The pooled-revenue approach is consistent with the procedures which have been used for many years in the Central Valley project and the Missouri River Basin project, and

which have been adopted by the Bonneville Power Administration for the Columbia River Federal power system.

Reanalysis of the ability of the Bonneville Power Administration to meet its short- and long-range financial obligations are now nearing completion. Such studies have been delayed somewhat by uncertainties regarding power and river regulation in Canada and inter-regional transfers and sales of power and energy. Should these studies demonstrate the necessity of adjusting the Bonneville Power Administration's rate schedule in order to maintain the financial integrity of the system, we will meet our responsibilities and adjust rate schedules accordingly.

The Manson unit and the Kennewick division extension fully meet the tests of economic and engineering feasibility. These are excellent examples of good investments in natural resources development.

The Manson unit and the Kennewick division extension, together, will cost only about \$18 million, of which 98 percent is reimbursable. Both of them have unusually high ratios of benefits to costs, as was noted this morning.

For the Manson unit, the benefits-to-cost ratio is 6.6 to 1, and for Kennewick it is 4.3 to 1. Although computations were made on the basis of a 3-percent interest rate and that rate under the formula is now  $3\frac{1}{8}$  percent, the change in these ratios would not be of appreciable significance. This assures adequate returns to the Nation for its investment in these water resources developments. Last year this committee and the Senate endorsed both of these projects. We hope that you will do so again and that you will give favorable consideration to the amendments we have suggested.

Senator ANDERSON. Thank you. Are there any questions?

Senator ALLOTT. Yes.

Senator ANDERSON. Senator Allott.

Senator ALLOTT. We passed favorably on this project last year. In your statement you refer to the pooling, and you recommend an amendment to last year's bill, to the bill in its present form. This is a policy about which I have had serious question for a long time. As I recall it, the repayments are now permitted up to the year 2025 or thereabouts, is this right? That is, those which were formerly not approved by the administration.

Mr. HOLUM. I do not know the exact date of the repayment, Senator Allott, but I can assure you, as I attempted to do in my statement, that the revenues are or will be available to meet the obligations that are required by these two projects.

Senator ALLOTT. That is very true, but I think that it is a pertinent thing to realize that this committee and the Congress has already authorized projects which have committed all of the funds of that pool for a period, I am sure, of at least until approximately the year 2025, which is about 60 years away.

Mr. HOLUM. Senator Allott, the power revenue system that is required to meet these projects becomes partly due in 2025. Most of it in the year 2032. I think that the committee might be interested to know that the total power assistance requirements of these two projects can be met by the generators at Coulee Dam, which produce a net income of \$24 million annually, in 160 days. The Grand Coulee is producing somewhere between one-third and one-fourth of the total

revenues available to the system. What we are talking about is about 40 days' power production from the Bonneville system.

Senator ALLOTT. But what we are talking about would not be available until the year 2025. I think it is important to this committee and to the record to show that this is the fact.

And we ought to know that this is what we are arguing about when we do it here. In your statement, on page 5, at the bottom of the page, you say:

Reanalysis of the ability of the Bonneville Power Administration to meet its short-range and long-range financial obligations are now nearing completion.

We have heard this for 5 years. There has still been no readjustment in the power rate out there. Are we going to see a realistic appraisal of this situation so that we have some confidence that we are not going to continue to run that at a loss?

I think Senator Jackson gave us a figure last year of \$13 million.

Senator JACKSON. They have been running \$11 to \$12 million. It is still in the black because the balance has not been exhausted.

Mr. HOLUM. I would like to make this comment, Senator Allott, respecting the ability to make decisions with respect to Bonneville payout. I call attention to two very important and significant decisions made by the Congress last year.

I think the Congress and this committee, it was quite evident, took a substantial move ahead in the total field of resource development in authorizing funding of the high voltage interconnection between the Pacific Northwest and the Pacific Southwest. We are very gratified that the committee agreed to fuller development of the Columbia River Basin system, which was finalized last year. These are having a tremendous effect on the financial situation of the Bonneville power system. And it is only appropriate, I am sure, that we delay decision until we can take into account these tremendously significant developments.

Senator JACKSON. This is correct, Senator Allott. I think it is well to point out that previously we were confronted with the problem of a surplus of what we called secondary power.

Mr. HOLUM. Right.

Senator JACKSON. There will be an amount marketed into the Pacific Southwest which will take care of that deficit. In addition, the treaty enters into this. At Grand Coulee alone the third powerhouse will provide 3,600,000 kilowatts at a very low cost factor. In addition, the output at each of the public and private dams in the river will be increased by about 2½ million, so that we will be bringing in, in connection with the treaty, low-cost power, lower than any power that can be obtained by separate dams at the present time. So these two factors will make a substantial difference. I understand that there is progress being made in making an evaluation in that respect. That was the directive that was contained, as I recall it, in the appropriation bill last session.

Senator ALLOTT. I had hoped that we would see something tangible on this because we have been fencing with it for a number of years. I see that there is in the bill the usual limitation on surplus commodities for a period of 10 years. In your report, which just became avail-

able to me this morning and to the committee this morning, you ask for an amendment as follows:

Nothing herein shall limit the authority of the Secretary of the Interior granted by existing provisions of law relating to recreation development of water resource projects or to disposition of public lands for recreational purposes.

I cannot quite see how this applies to the present project. And I would like to have you state what you think this amendment means. That is, to this project. It does not mean a thing to me.

Mr. HOLUM. All I can say is that there are public lands involved. There are certain small but limited opportunities to provide recreational benefits associated with the project. And I am sure that many in Congress will agree with the Department that we should be in a position to utilize these recreational opportunities.

Senator ANDERSON. You say that there are public lands involved? You mentioned there were 6,000 acres in one tract. How much of that is public lands?

Mr. HOLUM. I would like to ask the Recreation people about that.

Senator ANDERSON. There may be all kinds of lands. I do not know of any public lands there.

Mr. HOLUM. The Forest Service lands around the reservoir.

Senator ANDERSON. How much is that, 5,000 acres that are involved in this project? You are not irrigating Forest Service lands?

Mr. DOMINY. They are privately owned lands that are being irrigated. But the public land is in the reservoir area, and we will expand that. We are going to expand that.

Senator ANDERSON. You say that public lands are involved in this proposal?

Mr. DOMINY. The reservoir area. In the pipeline areas, not on the lands to be served by the project itself.

Mr. HOLUM. I think it is to make certain that these public lands that are around the reservoir, that part of it, can appropriately be used for development for recreation.

Senator ALLOTT. I would like to make my own position clear on this. I am in sympathy, as a matter of fact, with the concept that when we build a large reservoir, if it is possible that this should be made available for recreation, but I dislike to get into a situation where the Department reaches out for so-called purposes of recreation, as they did in connection with Gunnison County, where I think they reached a good portion of the land which was on the tax rolls of Gunnison County.

As desirable as the recreational aspect of this is in relation to the reservoir, increasing it from 2,500 to 9,000 acre-feet as has been testified to, I still think that the committee, in order to define its responsibilities, should know how much land you intend to take for recreational purposes. I personally would not vote for any open-end deal such as this amendment you propose would give to you. It certainly will not take more land for the pipeline. You are going to use the same storage, essentially so, and it is not a matter of enlarging the pipeline, in building a new line, but it looks to me as though this gives you an open-end thing to go out and grab as many acres as you or people in your Department think might be advisable, and this is a legislative decision that I do not think we should abrogate.

Mr. HOLUM. The Bureau of Reclamation people may be able to give you definitive information as to what the recreational part is, but if they cannot, certainly that information does come from the Bureau of Outdoor Recreation which has the principal responsibility for that.

Senator ANDERSON. Do the farmers out there want this amendment?

Mr. HOLUM. They want this recreational development.

Senator ANDERSON. They really want you to put this amendment in?

Mr. HOLUM. Not that I know of.

Senator ANDERSON. Did the Forest Service ask for the amendment?

Mr. HOLUM. Senator Anderson, I do not know.

Senator ANDERSON. Where did it come from?

Mr. HOLUM. I will get the information.

Senator ANDERSON. Is there someone here from the Forest Service?

In the hearings on March 17, 1964, the following appears:

Certain of the lands needed for the unit are national forest lands which, although administered by the Wenatchee National Forest, are within the proclaimed boundaries of the Okanogan National Forest. To make applicable the requirement of the administration's proposed Federal Water Project Recreation Act that water resource project lands within the exterior boundaries of a national forest shall be administered by the Secretary of Agriculture for recreation and other national forest system purposes, and to insure that acquired lands within the boundaries of the Okanogan National Forest shall be transferred to the Secretary of Agriculture and become national forest lands, the sentence beginning at line 8, page 3 and the words "Upon such transfer such lands shall become national forests lands" in lines 12 and 13, page 3, should be deleted and the following substituted.

And you propose an amendment and I am sure that you must have had some reason for this.

Mr. HOLUM. The representatives of the National Park Service are here, and these are their recommendations. I should like to suggest that either now or at the appropriate time in the hearings you have them appear before you.

Senator ANDERSON. Do I understand that the National Park Service recommends what you do with forest lands?

Mr. HOLUM. They are interested in the Department of Recreation. They supply the studies to the Bureau of Reclamation that become the basis of a lot of our recommendations.

Senator ANDERSON. This is a reclamation project. The Senator from Colorado says that he does not know where it comes from.

Senator JACKSON. May I interject?

Senator ANDERSON. Yes.

Senator JACKSON. I think that the amount of land involved here, Secretary Holum, is so small that there is no reason why we cannot continue to administer it as it is, that is, through the Forest Service. I do not believe that there is any desire in the area to build the reservoir into a great recreational area. Lake Chelan is a big lake, one of the big lakes in the United States and it runs—what is the total length of Lake Chelan now?

Mr. HOLUM. Fifty-five miles.

Senator JACKSON. Lake Chelan is in the heart of the Cascades. It is a fantastic lake. The reservoir is above the lake, and from the standpoint of recreation, we have our hands full on Lake Chelan and let us develop that. I do not think we want to start another development up at the river there.

I am sure that Mr. Woods, who has lived all of his life over in that area, will agree with that, will you not?

Mr. Woods. Yes, sir; I would agree to that.

Senator ANDERSON. I appreciate that. That points up what Senator Allott said. If we are going to try to improve the recreational area, in this irrigation land, you do not know how much more land you will take back in that reservoir area to make a recreational area of all of this. You will extend it just a little bit. There are just 2,000 or 3,000 acres involved.

Senator JACKSON. I believe this is standard language that they put in all of the bills in connection with Bureau projects that have some recreational potential. It so happens that in this area I believe it would be a mistake if we started off on another project until we do the job on Lake Chelan itself. That is primarily the responsibility of the Forest Service. We would get into a jurisdictional dispute otherwise. It is true that the Department has the overall responsibility of recreational planning, but I think it would be a mistake at this point in time to start off on a recreational undertaking as far as this little reservoir is concerned. We have this enormous task that remains to be accomplished on Lake Chelan itself.

Senator ALLOTT. I simply desired to bring that to the attention of the committee, because I think that I can read English and I, frankly, do not know what the amendment means, and if it means what I think it possibly does mean, then this committee should be concerned and should make a decision on the amount of land that would be brought in as a so-called recreational site.

We can discuss it further, but I thought it a very significant thing. I am not sure, Mr. Secretary, but what the language of the amendment is not limited to this act and that it is general legislation, but we can work that over when we get into executive session.

I just have one further question. Perhaps the chairman or Senator Jackson can enlighten me on this.

Last year we had this same provision in this bill, but on page 4, that is section 6, we authorized \$12,400,000 and then we put in this provision, plus or minus such amounts, if any, as may be required by reason of changes in costs of construction work of types involved therein as shown by engineering cost indexes and in addition thereto such sums as may be required to operate and maintain said units. I cannot recall the use of that sort of language before.

Senator JACKSON. This is what the Bureau had recommended and requested, based on our understanding at the time.

Senator ALLOTT. I would simply call attention to that.

Senator JACKSON. There was similar language in the previous project, the Whitestone Coulee project, which was approved September 18, 1964. It has the identical language, so I think that it is boilerplate language.

Senator ALLOTT. It was in the bill which you introduced last year and which this committee passed, but I think that it requires, also, attention to be called to the fact that what it constitutes is almost an open end appropriation or authorization.

Senator JACKSON. It is an attempt, however, to deal with the problem of rising construction costs. In many instances rising costs have necessitated the reauthorization of specific projects in which they authorized the project on facts that were not in conformity with the costs at the time the appropriation request is made.

Senator ALLOTT. I simply wanted to say that I supported the bill last year but if these are weak spots in here, I would like to patch them up. I do not want to see this extended into another area that we had no idea of going into last year.

Senator ANDERSON. Mr. Secretary, do you support the language in this bill?

Mr. HOLUM. Yes, I do.

Senator ANDERSON. Do you think that it is all necessary, the last two lines, "such sums as may be required to operate and maintain said unit."?

Mr. HOLUM. No; it is not. Up to that point the language has been standard in reclamation projects for some time. As Senator Jackson pointed out previously, it covers rising costs on a reasonable basis that Congress has often approved. The last sentence provides for the appropriation of funds to support the operational maintenance of recreational and fish and wildlife features of the project which are very small. But the language is necessary if these features are going to be maintained.

Senator ANDERSON. In Public Law 88-599 last session that very language appeared. I am only saying what Senator Allott has said: Do you really need it?

Mr. HOLUM. If the provision is going to be made; if funds are going to be provided for the operation and maintenance of recreation and fish and wildlife features of these projects.

Senator ANDERSON. I fully agree with what Senator Jackson said about the change in costs. We might set up \$1,500,000 for something and we might find that it cost \$2 million. They have a good project here. Therefore, we ought to authorize it to go ahead, but I just want to be sure that it is a standard provision and not something special here.

Mr. HOLUM. I think it is appropriate at this time. It is designed to make possible the operation and maintenance of a small recreational and fish and wildlife feature of this project. I hope that the committee will agree to that.

Senator JORDAN. Mr. Secretary, I think that this is a good reclamation project. I supported it last year, and I expect to support it again this year.

It is not often that we get a project with such favorable cost-benefit ratio as this one. I do have some questions that I would like to explore with you relating to your statement on page 5, where you say:

We recommend that such assistance be derived from pooled revenues of the entire Columbia River Federal power system. In order to accomplish this purpose we have recommended amendments to S. 490 and S. 794 which now provide such assistance be derived from the Chief Joseph Dam project and the McNary Dam project, respectively. The pooled revenue approach is consistent with the procedures which have been used for many years in the Central Valley project and the Missouri River Basin project, and which have been adopted by the Bonneville Power Administration for the Columbia River Federal power system.

Who adopted these procedures for the Bonneville Power Administration?

Mr. HOLUM. The language is consistent with the procedures that have been adopted by the Department of the Interior for the financial management of the Bonneville Power Administration.

We have for the last 4 years been engaged in a real effort to do everything we possibly can to standardize. I think we have had the enthusiastic support and encouragement of the Congress in this. We have made a real effort as to the financial management of all water resources projects under the jurisdiction of the Bureau of Reclamation and beyond that all water resources development projects built by the Federal Government, regardless of what agency is constructing it. What we have done at the Bonneville Power Administration system is that we have used the same principle, basically. The financial management of the Bonneville Power Administration system has been used previously in the Missouri River Basin and the Central Valley project in California. We think it is sound. We are only suggesting to you this morning that it would be better than ordinary bookkeeping if the power systems required for these two small projects were tied to the whole system, rather than as two separate projects.

Senator JORDAN. I agree with you. I do commend your efforts to work it basinwide. You have not been able to implement it, have you?

Mr. HOLUM. No; we have not been able to up to this point.

Senator JACKSON. Might I interrupt for one point here?

Senator JORDAN. Surely.

Senator JACKSON. I announced last year that this committee would hold hearings on the Columbia River Basin proposition. The problem is to set up standards so that one will know how this program is to be administered. There can be a real danger that we will be subsidizing irrigation projects that are not feasible if we proceed without establishing and adhering to sound standards. We will go ahead with these hearings to deal with the problem that Senator Allott raised.

And in last year's report on the Manson project, the staff has called my attention to the committee's judgment on the basin account:

The committee proposes to hold future hearings on the overall issue of establishing a basin account for the Columbia River system and hence deem it inadvisable to change the present system on a piecemeal, project-by-project basis. A policy determination in that regard must await the forthcoming hearings and specific congressional action.

We shall explore this matter thoroughly so that we can develop wise and prudent safeguards lest we get into a situation where power revenues can be used to subsidize projects that are simply wholly infeasible and should not be undertaken.

Senator JORDAN. I look forward to getting into that.

Senator JACKSON. We hope that we can do it as soon as possible.

Senator JORDAN. I hope that we can because this is a dilemma we find ourselves in in Idaho. The Bonneville Power Administration has come into the southern part of the State and we are enjoying the rates of the Bonneville power system which are much lower than the reclamation project rates. We are not complaining about that. But we are concerned about the repayment contracts on these reclamation projects which BPA took over. They have been rewritten and

the final payment stretched out to a much later date. The reserves which might have accrued to us by the rates which were in effect under the old reclamation service are now gone, because these repayment contracts have been extended indefinitely. I have not been able to get from the Department of the Interior the scheduled repayment dates that they have rewritten, and I hope that I will get them. I do not know how they worked it out without knowing what they are doing, but in this case, the Palisades project, for instance, where we expected to have the power part of it repaid in the 1970's—and presumably the revenues thereafter would be available for reclamation—the repayment has been extended way beyond that time, and I do not know how far beyond that because I have not been able to get that information.

Is that information available, Mr. Holum?

Mr. HOLUM. That information, Senator, is being developed. Again, two very separate decisions were made last year. This information is being prepared and assembled on the basis of the commitments that I made to you earlier and to Senator Allott.

Senator ANDERSON. Does that mean that you cannot get this information that the Senator has asked you for? He said that he would like to know what the termination date is now. That it was in the 1970's and is now way beyond. Can you now tell how far beyond?

Mr. HOLUM. How far beyond that should be?

Senator ANDERSON. Yes. Was it the 1970's before?

Mr. HOLUM. You mean the project in southern Idaho?

Senator ANDERSON. That they were going to have funds available for reclamation by sometime in the 1970's. Now this is up to the year 2000-something. Do you know where it is going?

Mr. HOLUM. Senator, it is rather a complicated situation. I doubt very much that the computations are at that point today. If they are, I will see to it that the information is supplied.

Senator ANDERSON. Could it not be computed in a half hour?

Mr. HOLUM. No. These people who work on them say that it is very complicated when you begin dealing with a large system, with many powerplants that have been authorized and built at different times.

Senator ANDERSON. He asked about the Palisades only. Why can it not be computed for the Palisades?

Mr. HOLUM. You want information as to when the Palisades project will be paid out?

Senator ANDERSON. Yes.

Mr. HOLUM. We will supply that.

(The information requested follows:)

Under the terms of the legislation authorizing reclamation projects in Idaho, particularly the Palisades Project Act of September 30, 1950, and in accordance with Bureau of Reclamation policies, the costs allocated to commercial power, interest on those costs, and the financial assistance to irrigation assigned to be paid from power revenues, were required to be repaid by the year 2009, or 50 years after the last Palisades power unit was placed in service.

Senator JORDAN. Here is our dilemma, Mr. Chairman. If we are restricted only to those revenues that derive from the Idaho projects and the rewriting of these payout schedules that will be written by the Department of the Interior, these are extended way beyond the year 2000, where will it end?

Senator ANDERSON. This is an old problem, as you know. Senator Jordan has raised the question many, many times. Others join in on that request. That is what Senator Jordan is asking.

Senator JORDAN. The low rates which we are enjoying are very fine. If we are restricted to strictly Idaho projects—

Mr. HOLUM. I am sure that the questions you have raised as to what happens when these projects are paid out is very important and a complicated question.

Senator ANDERSON. You said that it was tied to these others. I did not think that the question of the Palisades being paid out has any connection with the other.

Mr. HOLUM. I am sure that we can supply the information on the Palisades, when it will be paid out. I am sure that this committee can have that information as to when it will be paid out.

Senator JACKSON. Heretofore it was on a project-by-project payout basis. Now it is an areawide payout. Am I correct in that?

Mr. HOLUM. You are correct. That is why providing the answer for the Palisades is simple. But what is important and does take more time is when will all of the features of the Columbia River Basin project be paid out.

Senator ANDERSON. Senator Jordan asked you about your testimony on page 5, about this phrase:

consistent with the procedures which have been used for many years in the Central Valley project and the Missouri River Basin project, and which have been adopted by the Bonneville Power Administration for the Columbia River Federal power system.

He asked when they were adopted and by whom. I do not think that you answered that question very accurately. I wish that you would do it again and see if he is satisfied with the answer. You might want to put something in the record as to when they were adopted. Do you know when they were adopted?

Mr. HOLUM. Approximately 2 years ago.

Senator ANDERSON. By the Bonneville Power Administration?

Mr. HOLUM. By the Department of the Interior.

Senator ANDERSON. By the Bonneville Power Administration?

Mr. HOLUM. They were recommended by the Bonneville Power Administration and approved by Secretary Udall. I will supply the date on which that approval took place.

(The information referred to is supplied on p. 23.)

Senator ANDERSON. Was that your question?

Senator JORDAN. Yes, that was it. Again, the effect of it has been to rewrite the payout schedules of the reclamation projects in my State on the basis that the power would be paid out at a time certain. Now they are extending it to an indefinite term which I am not able to get from the Department. And we are restricted by the language of the Lower Teton bill to those Federal projects in Idaho and we do not know when we are ever going to get any more. That is my problem. It looks like the end of the road for reclamation in Idaho.

Mr. HOLUM. We are sure in the Department and we have attempted to reassure the Congress and the public in Idaho, in all of the Northwest, that we are very confident that this financial management does a better job of providing financial assistance for worthy reclamation projects than the previous one.

Senator JORDAN. I am fully in agreement with you, if you go the full way. You do not have the authority to implement a basin account. You have the authority, though, to do everything else.

Mr. HOLUM. I think, Senator Jordan, that there is a difference between the recommendations that we made this morning, the amendments to these two bills, and the establishment of the public basin account. I think Senator Jackson very appropriately suggested that this is a matter that requires careful consideration on the part of the committee and by the Department and we will be very happy to do something.

Senator JACKSON. Does it not boil down to two points: One, that the Department has the authority to rearrange the payout in conformity with the provisions of existing law; that is, as it is now applicable in other areas. You have this broad authority on the payout for which Congress has laid down the guidelines. Secondly, the Department cannot establish a basin account by executive order. The payout arrangements are included in each bill that comes up for action and, therefore, there is no authority for the basin account method. It is in connection with this latter point that we will hold hearings and go into this whole question that Senator Jordan referred to on the basin account.

Senator JORDAN. I am pleased to know that.

To get back to the original question as to the language which the Secretary said these procedures had been adopted by the Bonneville Power Administration for the Columbia River Federal power system, I claim they do not have the power to adopt it.

Senator JACKSON. If I may interject, the language should be a little different. My recollection was that the Bonneville Power Administration made recommendations for a change in the payout schedule and that this was not finalized until the Secretary had approved the payout schedule. My further understanding is that the Secretary did approve the new payout schedule.

Mr. HOLUM. Yes.

Senator JACKSON. Will you supply that date for the record?

Mr. HOLUM. I apologize for the use of careless language in the preparation of the statement. I have the date when they approved this. They approved this on April 3, 1963. He approved the Bonneville Power Administration proposition.

Senator JORDAN. Did the Secretary approve a new payout schedule without seeing the payout schedule—could he do that?

Senator ANDERSON. Could he approve that which he could not see?

Mr. HOLUM. He approved the new principles and, under the responsibility of his Department, to be certain that the responsibilities

laid down for the Department by the Congress are met under those procedures. And we will do so.

Senator JORDAN. In 2 years, you have not been able to produce a repayment schedule; is that not true?

Mr. HOLUM. In 2 years, we have not finalized the repayment schedule because of the pending decision on the Canadian Treaty and the other things that affect the progress of it. I am sure that the Congress will join with the Secretary of the Interior in wanting to be absolutely accurate on this.

Senator ANDERSON. What the Senator is trying to say to you is that, if the Secretary approved the repayment schedules, he must have seen something.

Mr. HOLUM. He approved the formula—the procedure.

Senator ANDERSON. Can you provide that information on the Palisades, as he asked you?

Mr. HOLUM. Certainly. I will be happy to provide the formula to the committee.

(The information requested appears on p. 21.)

Senator ANDERSON. Now you have it on the basis of your recommendations and Senator Jordan would like to have a look at that. And that will simplify this hearing and many other hearings, in my opinion. We ought to have it. We are not trying to be critical. We are just trying to get that information.

Senator JORDAN. I am not being critical. I am agreeing with what they are trying to do here but I have not been able to get a look at the repayment schedules which the Department of the Interior revised.

Senator ANDERSON. Thank you, Mr. Holum.

Mr. HOLUM. Thank you very much for this opportunity to appear before the committee.

Senator ANDERSON. Do you have further testimony on Kennewick?

Mr. HOLUM. My statement covered both.

Senator ANDERSON. Very well.

We will now hear from Senator Jackson on the Kennewick division extension.

#### STATEMENT OF HON. HENRY M. JACKSON, A U.S. SENATOR FROM THE STATE OF WASHINGTON

Senator JACKSON. Senator Anderson, I am also requesting, on behalf of Senator Magnuson and myself, timely committee approval of S. 794, to amend the act of June 12, 1948 (62 Stat. 382), in order to provide for the construction, operation, and maintenance of the Kennewick division extension, Yakima project, Washington, and for other purposes.

The purpose of S. 794 is to bring an additional 6,300 acres of land under irrigation in the Columbia River Valley in the southern part of the State of Washington. This purpose would be attained through amendment to the act of June 12, 1948—the measure authorizing the parent Kennewick division of the Yakima project—to provide for construction, operation, and maintenance of the necessary additional works to the existing facilities of the Kennewick division. The presently proposed extension was contemplated in the construction of the existing facilities.

Almost all of the lands in the extension area are dry, supporting for the most part only sagebrush and native grasses used for livestock grazing, and other uses are impracticable under present conditions. When irrigated, the primary land use will be production of feed and general row crops and for specialty crops and fruits; such as, grapes, sweet cherries, prunes, peaches, and apricots.

The project has an extremely high benefit-cost ratio in excess of 4 to 1.

I should like to request that the committee's record of hearing include communications I have received favoring S. 794.

I might add, Senator Anderson, that the Kennewick division extension was also approved by this committee and the whole Senate last June.

Senator ANDERSON. Thank you very much, Senator Jackson.

We would like to get this information that Senator Jordan has been trying to get for a long time. Will you try to get that information?

Mr. HOLUM. We understand and appreciate your interest and Senator Jordan's interest.

Senator ANDERSON. Thank you.

We will next hear from Mr. Floyd Dominy, Commissioner of Reclamation, Department of the Interior.

**STATEMENT OF FLOYD DOMINY, COMMISSIONER OF RECLAMATION;  
ACCOMPANIED BY J. KARL LEE, ASSISTANT CHIEF, PROJECT  
DEVELOPMENT DIVISION; AND E. L. WHITE, REGIONAL PROJECT  
DEVELOPMENT ENGINEER, BOISE, IDAHO**

Mr. DOMINY. Mr. Chairman and members of the committee, I am pleased to be here. And in an effort to save time, to answer questions of the committee, I would like to bring two members of my staff to the table with me, Mr. J. Karl Lee, who is the Assistant Chief of our Project Development Planning Division here, and with headquarters in Washington, and Mr. E. L. White, who is our project development supervisor in region I, the region in which these projects are located, and the man directly responsible, he and his staff, for providing for the work that is presented here in the bills before you.

I shall first deal with the Chief Joseph Dam project.

We are pleased to present for your consideration today our plan of development for the Manson unit, Chelan division, Chief Joseph Dam project, Washington, which was described in detail during our appearance here last year in support of S. 2533, 88th Congress. That measure, as amended by this committee, was passed by the Senate on June 25, 1964, but no further action was taken by the Congress. The Department's feasibility report to the Congress on this unit has been printed as House Document 232, 88th Congress.

As reported to you on March 17, 1964, this is an unusually meritorious proposal. It is designed to improve and enlarge an existing irrigation water collection and distribution system of the Lake Chelan Reclamation District which was built many years ago by the local people and now needs rehabilitation and modernizing to an extent beyond the district's financial capabilities. Irrigation in this area dates back to 1908 when the first irrigation district was formed.

I think the committee might be interested in a few photographs which show the marked hazards and deterioration of the long collection system that was built by private enterprise long ago and which serves the economy of this entire area at this time.

Senator ANDERSON. By the local people. Who owns the project now?

Mr. DOMINY. The project was built and financed by the local irrigation district. All of the work is owned by them. If the project is to be built, to be rehabilitated under the terms of this act, the lands involved, the rights-of-way would have to become—that is, the title would have to repose in the Federal Government under the reclamation law. The district is aware of that and will cooperate completely in the provision of the rights-of-way which they already own.

Senator ANDERSON. Is there anything in the world that requires that?

Mr. DOMINY. This is the standard reclamation law, that the title for the works built under the reclamation law would be in the United States. And unless the bill would modify that provision, this would be the only authority we have under the standard reclamation law to proceed with the construction of it. I am confident that there is no problem on this point.

To clear up the discussion we had a moment ago about the recreational lands involved under these plans, we would increase the storage capacity and by so doing make it possible to bring—

Senator ANDERSON. That is in existence now?

Mr. DOMINY. There is a small reservoir there now.

Senator ANDERSON. Is that on public lands?

Mr. DOMINY. No; it would be district land.

Senator ANDERSON. It is now on public lands or not?

Mr. DOMINY. It is in the boundaries of the national forest but I do not know whether the lake was there before the forest was created, or the background of it.

Senator ANDERSON. It is in Federal title now?

Mr. DOMINY. The district owns the title to the present lake, because it was built by the district, the irrigation district.

Senator ANDERSON. Will that title be transferred to the Federal Government?

Mr. DOMINY. Yes, sir; because we are going to expand and create a much larger lake.

Senator ANDERSON. Will title pass to the Federal Government without cost?

Mr. DOMINY. Yes. The part that the district already owns, they will contribute that as part of the cost of the rehabilitation of the project; yes, sir. We always take acquisition up to 300 feet horizontally above the pool level in order to have public access and control around the reclamation reservoir. The only addition that the Park Service has recommended here is a 50-acre tract which the district already owns, and as I understand it, the district is agreeable for this to become a part of the Federal property and then it would be transferred to the Forest Service, since this is within the boundaries of the national forest.

Senator ANDERSON. This is private land and you say it would be transferred without cost?

Mr. WHITE. The estimated cost on that is \$4,000. This is for recreation. The district would not be willing, necessarily, to transfer this without cost.

Senator ANDERSON. Very well.

Mr. DOMINY. The Manson unit lands are situated on the north shore of Lake Chelan in north-central Washington, comprising an 11- by 4-mile area of terraces and rolling hillsides. The area is ideally suited to apple production by topography, soils, climate, and other factors.

Improvements in the district's system and extensions to the water collection system have been made from time to time, more or less on an emergency or patchwork basis. Accordingly, some portions of the system are in good condition and still have years of useful life expectancy. Other portions are antiquated, poorly designed, and inadequate in capacity. Our plan is designed to use as much as possible of the existing facilities and to put the entire system in such condition as to insure long trouble-free operation under an adequate operation, maintenance, and replacement program.

The presently irrigated lands encompass 3,965 acres, almost exclusively devoted to apples, which is now the mainstay of the local economy.

Under the plan of development an additional 1,405 acres of presently dry lands and 120 acres with only a partial water supply, would be developed as irrigated apple orchards. Certain Indian-owned lands and class 6 lands with an existing water right would continue to receive their water entitlements, although they would not be subject to construction cost assessments.

There are no lands on the Manson unit which would be affected by the acreage limitation provisions of reclamation law.

Senator ANDERSON. Are these 1,405 acres part of the land?

Mr. DOMINY. Yes, sir.

Senator ANDERSON. And the 120 acres are private?

Mr. DOMINY. Yes, sir. I am happy to tell you that there is no problem. There is only one ownership in the 1,405 acres, as I recall, that exceeds 160 acres in size and that has a total of 255 acres in one ownership. Assuming that this is owned by a man and wife, it is well within the limitations of the 160-acre requirement of the law, so that there is actually no land on the Manson unit that would be affected by the acreage limitation, but that will be so written in the contracts when we have the repayment contract with the district.

The existing facilities consist of a gravity-flow collection system which diverts water from seven mountain streams into a small regulating reservoir—the Antilon Reservoir.

It is a very interesting system. The members will note that it goes across seven small streams that flow very steeply into Lake Chelan, and the collection system takes those, or taps those streams where they pick up the water supply down into the reservoir for gravity diversion to these lands.

The water is released as required into a closed-pipe distribution system which provides water under adequate gravity pressure to permit sprinklers to be used. When the gravity water supply is inadequate to meet the requirements, water is pumped from Lake Chelan and Wapato Lake to supplement the supply.

We propose to use the same plan of service, but to replace the existing canals, pipes, siphons, and flumes, as required, by mortar-lined and coated steel pipe of adequate capacity. The existing Antilon Reservoir would be enlarged by constructing a small new earth dam on Antilon Creek and by raising the existing Antilon Lake Dam, thereby increasing the active capacity from 2,500 to 9,000 acre-feet. The reservoir would have a surface area of 180 acres at normal operating level. About 48 miles of the closed pipe distribution system mains would be replaced and enlarged. No pumping would be required under normal operating conditions.

No pumping would be required after this rehabilitation had taken place.

Senator ANDERSON. You have at the present time how many acres in this?

Mr. DOMINY. There are 3,965 acres.

Senator ANDERSON. Roughly 4,000 acres?

Mr. DOMINY. Roughly that now, and we are going to raise it up to 5,500.

Senator ANDERSON. You jump the capacity from 2,500 to 9,000 acre-feet—four times, maybe?

Mr. DOMINY. Yes, sir. They have an inadequate supply. They have had to go to the lake for additional supply frequently at considerable extra cost and as long as we are going in there and replacing that system we think that it is cheaper in the long run to make that pipe bigger and collect a greater supply and have a little larger reservoir for carryover purposes, and that it will be a cheaper water supply for them in the long run.

The Antilon Reservoir would provide limited opportunities for fish and wildlife enhancement and recreation development. The plan of development includes fish screens on the outlet of the reservoir, the acquisition of land adjacent to the reservoir for access for fishermen and recreation use, minimum public use recreation facilities, and the transfer of such lands and facilities to the Forest Service for operation as part of the Wenatchee National Forest. These plans have been closely coordinated with the interested agencies of the State and Federal Governments and with the Lake Chelan Reclamation District. As the lands are now in district or public ownership, their acquisition for these purposes would be without cost to the unit, except for the one 50-acre tract that I mentioned.

Based on criteria set forth in the Area Redevelopment Act of 1961, Chelan County has been designated as a redevelopment area. Employment in the county would be directly affected by the construction and operation of the unit, and it would put to work many of the skilled and semiskilled workers on the unemployment rolls of the county, as well as many unskilled workers.

Annual benefits of the unit have been estimated with the assistance of the agencies directly involved, as follows:

Irrigation.....	\$2, 949, 400
Recreation.....	5, 585
Fish and wildlife.....	3, 750
Area redevelopment.....	77, 500
Total.....	3, 036, 235

Construction costs of the Manson unit have been estimated, at prices as of October 1959, when the report was finally written, to be \$12,296,000. This cost indexed to October 1964 prices would be about 8 percent higher. Because the returns from new apple orchards are slow to develop and the costs of establishing such orchards are high, it is proposed that the portion of the operating costs which the water users establishing new orchards are unable to repay during the 10-year development period (\$67,000) be funded and considered a part of the construction cost, making a total project cost at 1959 levels of \$12,363,000.

Of this total project cost \$12,220,000 is tentatively allocated to irrigation and \$143,000 to recreation and fish and wildlife. The irrigation cost is reimbursable without interest under reclamation law.

Senator ANDERSON. Is it irrigated fully?

Mr. DOMINY. I will say about one-half of it.

Senator ANDERSON. With a benefit of \$3 million a year?

Mr. DOMINY. The repayment capacity on this has been computed to run \$36 an acre on class 1 orchardland; \$23 an acre on class 2 orchardland; with an overall average of \$32.53 an acre for the project.

Senator ANDERSON. What do you think that the average land is worth in the State of Washington per acre?

Mr. DOMINY. We estimate that this orchardland in full production runs as high as \$4,000 for the best orchardland.

Senator ANDERSON. Why is it that they cannot pay more than \$20 an acre for it?

Mr. DOMINY. We get an average of \$32.53 an acre that they are proposing to pay, that we propose to have paid.

Senator ANDERSON. I do not understand. Here is a benefit of \$3 million a year but the irrigated land owners can only afford to pay a fraction of the irrigation costs.

Mr. DOMINY. There are benefits besides the irrigated land in computing the benefits.

Senator ANDERSON. To whom do the irrigation benefits flow besides those whose land is irrigated?

Mr. DOMINY. The benefits to the economy of the region and the area and the increased economic opportunities beyond the farms are all part of the benefits that we computed for these projects. I do not have to point out to you the benefits of the Rio Grande project which flows beyond the boundaries of your farm and your neighbors' farms.

Senator ANDERSON. I know. I was assessed \$120 an acre benefit on the farmland increase. Here you are assessing \$20 or \$30 an acre on fruitland that produces hundreds of thousands per farm.

Mr. DOMINY. You have not had the water costs at \$120 an acre.

Senator ANDERSON. Per year?

Mr. DOMINY. We are talking about the water cost per year.

Senator ANDERSON. They pay \$30 a year for it?

Mr. DOMINY. This is the annual water charge that we are talking about.

Senator ANDERSON. That is substantial.

Mr. DOMINY. Yes. I am sorry that I did not make that clear. The total construction charge per acre that they will pay is \$1,170 per acre. They are going to pay the water charge annually of \$32.53 for each acre irrigated.

Senator ANDERSON. Do you think that this is a reasonable charge for irrigating—that is what I am trying to get.

Mr. DOMINY. Yes. And the irrigators think it is, also.

The costs allocated to fish and wildlife enhancement are nonreimbursable under existing law, and would be less than the limitation proposed under the administration's cost-sharing policy as set forth in H.R. 9032, which was introduced in the 88th Congress. Our feasibility report included an allocation of cost to area redevelopment, based upon the substantial benefits to this purpose should the division be constructed. We reported to this committee last year on that basis. In view of the action of the 88th Congress in eliminating such allocations on the Whitestone Coulee unit of the project, we are presenting our figures this morning on the basis of no cost being allocated to area redevelopment.

The Lake Chelan Reclamation District has indicated its willingness to contract for repayment of construction costs in accordance with the plan we have proposed. We have received strong endorsement of the plan from the Governor of Washington. The Bureau of the Budget advised that there was no objection to the submission of the report to the Congress.

The annual benefits exceed the annual equivalent costs in the ratio of 6.6 to 1, demonstrating the very favorable economic justification for the unit.

Over a repayment period of 50 years, the water users would be able to repay \$6,050,800 of the irrigation cost. The remaining \$6,169,200 would be returned from revenues derived by the Secretary of the Interior from the disposition of power marketed by the Bonneville Power Administration.

Under current accounting procedures for the Federal Columbia River power system, all financial assistance to irrigation is to be derived from pooled system revenues from the coordinated power system, generally similar to procedures which have long been in use in the Central Valley and Missouri River Basin projects, the most recent one in the Storage Project Act. Our recommended amendment to S. 490 provides for this form of financial assistance. All existing obligations of the BPA will be repaid by the year 2022, which is 50 years after the last major powerplant now authorized goes into production. Senator Jordan and Senator Allott I believe stated the year 2025, but we understand it would be 2022.

We consider that this is a rescue project, rehabilitation of an existing system built by private enterprise and is well worth the consideration of this committee.

Senator ANDERSON. You have another statement on the Kennewick division extension.

Do you have any questions on this project, Senator Jackson?

Senator JACKSON. No.

Senator ANDERSON. Senator Jordan?

Senator JORDAN. There is no physical connection between this project and the Chief Joseph Dam, is there?

Mr. DOMINY. No, sir. For planning purposes, and convenient terminology, we included in the Chief Joseph division, an area involving the apple orchard country of the tributary streams.

Senator JORDAN. Is any of the water for this project to come from Chief Joseph Reservoir?

Mr. DOMINY. No, sir.

Senator JORDAN. Or any facilities in connection therewith?

Mr. DOMINY. No, sir. We recognized at the outset that we would need power revenue assistance in these projects, and the Chief Joseph Dam is one source that is closest to this project so that is why we selected that name. Our original purpose was to use the Chief Joseph project as the primary source.

Senator JORDAN. Thank you.

Senator ANDERSON. Now, Mr. Dominy, go ahead with your testimony on the Kennewick division extension.

Mr. DOMINY. Yes, sir. I will be pleased to cover the Kennewick division extension.

Mr. Chairman, S. 794 would amend the act of June 12, 1948, to provide for the construction, operation, and maintenance of the Kennewick division extension, Yakima project, Washington. The Secretary's feasibility report on the extension has been printed as House Document 296, 88th Congress, and was the basis of our testimony on April 13, 1964, to this committee on S. 2630, 88th Congress. That measure, as amended by the committee, was passed by the Senate on June 25, 1964. We again recommend amendments to S. 794 which will conform it to administration policy with regard to financial assistance to irrigation from Bonneville Power Administration revenues.

The Kennewick division extension is designed to provide an adequate water supply for the irrigation of 6,300 acres of land in Benton County, southern Washington. The Kennewick division is the most recently constructed division of the Yakima project which was authorized by the act of June 12, 1948. The Yakima project goes back to about 1906. The Secretary of the Interior was authorized by that law to construct extra capacity in the main canal for the future irrigation of approximately 7,000 acres of land, so that the capacity is already in the main channel for this extension unit.

Major new facilities of the Kennewick division extension would be a third pump at Chandler pumping plant, the mile-long Kiona siphon, a distribution system, and drainage facilities.

Nearly all of the lands within the extension are presently dry, supporting only sagebrush and native grasses used for livestock grazing. About 70 percent of the extension acreage to be developed for irrigation would most likely be devoted to feed and general row crops. Specialty crops now being grown on adjoining areas, which might also be grown in the extension area, are mint and asparagus. Grapes, sweet cherries, prunes, peaches, and apricots also are grown.

Senator ANDERSON. If these bills are passed with the provision of 10 years in there there will be no added surplus to the commodities, will there?

Mr. DOMINY. I am satisfied that there will be no problem with that.

Senator ANDERSON. They will not create any surplus?

Mr. DOMINY. I do not believe so.

Senator ANDERSON. Feed grain is a surplus.

Mr. DOMINY. Some feed grains are in surplus; that is correct. They would have to avoid some elements of the feed-grain program. We put the 10-year limitation in—

Senator ANDERSON. What type of general row crop is contemplated?

Mr. DOMINY. It is beans and potatoes primarily. This area will grow fruit without question, in my judgment.

Senator ANDERSON. We are not short of potatoes.

Mr. DOMINY. That is correct. Potatoes were pretty high this year, you know. They were in fairly short supply, evidently. The market price that the farmers got for their potatoes indicated that. I agree that we have years when potatoes are a glut on the market, but since they are a perishable commodity they do not carry over like wheat and corn. We have ups and downs in the potato market. I have confidence that this extension, as the Yakima project generally is doing, is going into fruits; grapes is a big one. This is one of the finest juice grape areas in the country.

The water supply for the extension would consist primarily of return flows from irrigated lands upstream, supplemented by natural flows of the Yakima River. In 1931 our Bureau obtained a permit from the State of Washington for the Kennewick Irrigation District to divert up to 1,600 cubic feet per second for irrigation and power purposes. This permit fully covers the needs of the extension lands.

The total project construction cost of the extension, based on January 1962 prices, is estimated to be \$5,250,400. At October 1964 prices the cost would be \$5,683,400. We recommend that provision be made in the legislation for adjustment of the appropriation ceiling as price indexes change.

The 1962 estimated construction costs tentatively are allocated \$5,115,500 to irrigation and \$134,900 to fish and wildlife. Annual operating costs are allocated \$47,130 to irrigation and \$1,240 to fish and wildlife.

The costs allocated to irrigation would be reimbursable without interest. In accordance with current policies and procedures, the costs allocated to fish and wildlife are nonreimbursable.

Annual irrigation benefits total \$890,900 and include direct benefits of \$386,300 and indirect and public benefits of \$504,600. Annual fish and wildlife benefits amount to \$5,500 and are based on the beneficial effects which irrigation of the extension lands would have on upland game and birds.

Senator ANDERSON. How much of this \$5 million would the irrigators repay?

Mr. DOMINY. They will pay approximately 37 percent of the irrigation allocation and power revenues will pick up the balance.

Senator ANDERSON. Go ahead. I did not realize that it was incorporated in your statement later on. Go right ahead.

Mr. DOMINY. The annual equivalent cost of the proposed development amounts to \$210,600. The ratio of benefits to costs is 4.3 to 1.

It is proposed that the same general repayment provisions authorized for the Kennewick Division be applied to the extension. Because the extension lands are presently undeveloped, a 10-year development period is recommended. Present repayment provisions require that all of the Kennewick Division's reimbursable irrigation costs be repaid within 66 years following delivery of water. Therefore, construction payments by extension water users would be made over a 56-year period after the initial 10-year development period.

Water users could pay \$88,420 annually for irrigation service, or \$14.03 per acre. These revenues, during the 56-year repayment period, would meet all annual operating costs and, in addition, would repay \$1,914,640, or about 37 percent of the capital costs allocated to irrigation. Financial assistance in the amount of \$3,200,860 would be needed to complete repayment of the irrigation allocation.

The costs of the Kennewick division extension allocated to irrigation which are beyond the irrigation water users' ability to repay by fiscal year 2036 would be paid from power revenues derived by the Secretary of the Interior from the disposition of power marketed by the Bonneville Power Administration from the Chandler powerplant, a feature of the Kennewick division, and other units of the Federal Columbia River power system.

Our feasibility report proposed that the financial assistance required beyond the Yakima project revenues be derived from revenues of the McNary Dam project. The bill, S. 794, also makes this provision, which was appropriate under the repayment and accounting procedures in use at the time that report was prepared. Under current procedures, however, costs of financial assistance to irrigation for all units are consolidated, to be repaid by pooled revenues of the system, thereby bringing the accounting for the Federal Columbia River power system generally into conformance with that used in the Central Valley project and the Missouri River Basin project. The amendments proposed in the Department's report on the bill are designed to make this proposal consistent with the current repayment policies, and we strongly recommend adoption of those amendments.

There is strong support for the plan of development among local interests and representatives of the State of Washington. We recommend favorable consideration of the Kennewick division extension and early action toward enactment of S. 794.

Senator ANDERSON. Mr. Dominy, similar to the other project, this is a very high benefit-cost ratio project, is it not?

Mr. DOMINY. Yes, extremely high.

Senator ANDERSON. You, therefore, recommend the project wholeheartedly?

Mr. DOMINY. I recommend it wholeheartedly. Right now in the State of Washington, in this general vicinity, there are two elements of economics that are rather hurting them. The Larson Air Force Base will be closed up almost completely and there is also a downward trend in the atomic energy work at Hanford. If we could get this project authorized and the construction started, it would help take up some of the slack that will inevitably occur by reason of these other two declining phases of the economic opportunities.

Senator ANDERSON. Any questions, Senator Jackson?

Senator JACKSON. I have no questions.

Senator ANDERSON. Senator Jordan,

Senator JORDAN. I think that this is a fine reclamation project. I supported it last year and intend to support it again this year. Just for the record, would you agree with me that no part of the water used in the project comes from McNary Reservoir?

Mr. DOMINY. No, that is not correct. McNary is below this point.

Senator JORDAN. Is it from the tributaries?

Mr. DOMINY. The Yakima River.

Senator JORDAN. It is from that source only?

Mr. DOMINY. Yes, that is right.

Senator JORDAN. Thank you.

Senator ANDERSON. Thank you very much. We appreciate your appearance, Mr. Dominy, very much.

Mr. DOMINY. It is always a pleasure to appear before your committee.

Senator ANDERSON. There will be made a part of the record at this point two statements, one on each project, presented by Mr. William E. Welsh, executive director of the National Reclamation Association of Washington, D.C.

(The statements referred to follow:)

STATEMENT OF WILLIAM E. WELSH, EXECUTIVE DIRECTOR, NATIONAL RECLAMATION ASSOCIATION, ON S. 490

My name is William E. Welsh. I am executive director of the National Reclamation Association.

In response to requests from the sponsors of this project, I am happy to appear before you today in support of the Manson unit, S. 490.

The primary purpose of this project is to rehabilitate and modernize the irrigation distribution systems which are badly in need of repair and the costs of which are beyond the ability of the water users to repay without assistance.

The lands of the Manson unit are situated along the north shore of Lake Chelan in northern Washington. The topography, soils, climate, and other factors in the Manson unit are very similar to the soils in other areas which are well known for the production of apples which is a major crop in that area.

Some portions of the irrigation distribution systems have been repaired from time to time but the major portions are inadequate, poorly designed and antiquated and out of date. There are 3,900 acres being irrigated at the present time. The proposed plan of development would add an additional 1,400 acres.

I am advised that there are no lands within the Manson unit which would be affected by the acreage limitation provisions of reclamation law.

The proposal which the Bureau of Reclamation has in mind is to replace the existing canals, pipes, siphons, and flumes by mortar-lined and coated steel pipe of adequate capacity. Such structures when treated in this manner should last for almost an indefinite period.

The proposed betterment program for the project also includes the enlargement of Antilon Reservoir from its present capacity of 2,500 acre-feet to approximately 9,000 acre-feet. The total estimated cost of the project is approximately \$12,363,000, of which \$12,220,000 would be allocated to irrigation and only \$143,000 would be allocated to recreation, fish and wildlife. The plan calls for the repayment by the water users over a period of 50 years of \$6,050,800, the remaining \$6 million to be returned from revenues from the disposition of power marketed by the Bonneville Power Administration.

The project has a benefit-cost ratio of 6.6 to 1.

It is my understanding that financial assistance to irrigation within the Federal Columbia River power system is to be derived from pooled system revenues from the coordinated power system which reclamation officials advise me is similar to the procedures now in use in the Central Valley and the Missouri River Basin.

Our NRA members in the State of Washington advise me that there is no known opposition within the State to this project.

I am very happy indeed to support this project on behalf of the National Reclamation Association.

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STATEMENT OF WILLIAM E. WELSH, EXECUTIVE DIRECTOR, NATIONAL RECLAMATION ASSOCIATION, ON S. 794

My name is William E. Welsh. I am executive director of the National Reclamation Association.

I am pleased to appear before you today in response to a request from the members of our National Reclamation Association from the State of Washing-

ton and in support of the bill, S. 794. This bill would authorize the construction, operation, and maintenance of the Kennewick division extension of the Yakima project.

I am advised by officials of the Bureau of Reclamation that this bill will conform the project to administration policy with regard to financial assistance to irrigation from Bonneville Power Administration, that is, that the costs allocated to irrigation which are beyond the irrigation water users' ability to repay will be paid from power revenues derived from the power marketed by the Bonneville Power Administration from the Chandler powerplant, a feature of the Kennewick division and other units of the Federal Columbia River power system.

The proposed project extension would provide a full water supply for the irrigation of 6,300 acres of land in southern Washington.

The legislation which authorized the Kennewick division originally, also authorized the Secretary of the Interior to construct extra capacity in the main canal for future irrigation of approximately 7,000 acres of land.

The project facilities which would be authorized and which would be constructed in connection with the proposed project include the distribution system, the Kiona siphon, the Chandler pumping plant and necessary drainage facilities.

It is anticipated that the lands to be irrigated would be devoted very largely to the raising of row crops and feed. Taking other adjacent irrigated tracts as an indication of the crops which might be raised, it is reasonable to assume that the crops to be raised on the Kennewick extension would include mint, asparagus, grapes, sweet cherries, prunes, peaches, apricots, and other various types of row crops. The primary source of water for the project would be return flow from upstream irrigated lands which would also be supplemented by the natural flow of the Yakima River.

The total construction cost of the extension is estimated to be in excess of \$5 million. Practically all of the costs with the exception of about \$135,000 would be allocated to irrigation and the remainder to fish and wildlife. The irrigation costs which would be reimbursable without interest, would be repaid over a 56-year period after a 10-year development period. The water users would repay approximately \$1,914,000 or about 37 percent of the total cost allocated to irrigation.

The proposed extension is estimated to have a benefit-cost ratio of approximately 4.3 to 1.

Our NRA members from the State of Washington advise me that there is no known opposition within the State to this project.

I am very happy indeed to support this project on behalf of the National Reclamation Association.

Senator ANDERSON. The committee stands adjourned.  
(Whereupon, at 11 :40, the subcommittee adjourned.)

and in support of the bill S. 1087, which would amend the provisions of the act of March 3, 1879, relating to the extension of the term of office of members of the House of Representatives.

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## APPENDIX

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The following letters are printed under authority previously given:

OLYMPIA, WASH., *February 1, 1965.*

HON. HENRY M. JACKSON,  
*Chairman, Senate Committee on Interior and Insular Affairs,  
Senate Office Building, Washington, D.C.:*

This is to indicate the support of the State of Washington for S. 490 and S. 794, the measures which authorize the Manson unit of Chief Joseph project and the Kennewick division extension of the Yakima project. These two projects have excellent benefit-to-cost ratios and are extremely worthwhile developments in our water resource program. It is my hope that the committee will act favorably on this legislation at its February 4 hearing.

DANIEL J. EVANS,  
*Governor, State of Washington.*

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WASHINGTON GROWERS CLEARING HOUSE ASSOCIATION, INC.,  
*Wenatchee, Wash., February 1, 1965.*

Senator HENRY M. JACKSON,  
*Chairman, Interior and Insular Affairs Committee,  
U.S. Senate, Washington, D.C.*

DEAR SENATOR JACKSON: It is our understanding that your committee will hold a hearing regarding the much needed rehabilitation of the Manson irrigation unit under development of the Chief Joseph project.

As you know, Senator, the clearinghouse represents some 2,300 fruitgrowers in north-central Washington and it is our responsibility to do everything possible to insure their success. Not only in providing marketing information but in leadership and guidance affecting their economy. You already have all available data in connection with this project so there is no occasion for me to go into detail. We do, however, want you to know that fruitgrowers, in areas other than the Manson district, are sympathetic to their needs and they are generally aware of the critical position of these growers by reason of obsolescence and wornout facilities. They know that the only answer is through their rehabilitation which will come about through congressional authorization. This, of course, will involve the necessary funds through congressional appropriations.

May we, therefore, urge that you place emphasis on the growers' needs in this instance with the assurance that you have our membership's support.

Yours very truly,

LEO E. LOWE, *Manager.*

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H. R. SPINNER Co.,  
*Wenatchee, Wash., January 29, 1965.*

HON. HENRY JACKSON,  
*Senate Building, Washington, D.C.*

DEAR SENATOR JACKSON: It is my understanding that S. 490 comes up for hearing before the Reclamation Subcommittee on February 4. This bill includes provisions for the Manson reclamation unit at Manson, Wash., and its passage is vital to the economy of that area.

Some of the finest quality fruit grown in this States comes from the Manson-Chelan area and, while orchards in their prime in that area are not in economic difficulties, those growing young orchards or with old or marginal ones find it difficult to make ends meet on \$40-per-acre water. The pipelines in this

project are in bad shape, and must be replaced, yet it is impossible to do so as all the district income goes to maintenance and operation.

Your assistance in furthering the passage of S. 490 is needed and I hope you will do what you can in this respect.

Respectfully yours,

A. R. ROLFS, *Manager.*

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INLAND EMPIRE WATERWAYS ASSOCIATION,  
Walla Walla, Wash., February 3, 1965.

Senator HENRY M. JACKSON,  
*Chairman, Interior and Insular Affairs Committee,*  
*Senate Office Building, Washington, D.C.:*

It is our understanding that hearings on S. 490 and S. 794 will be held by your committee on Thursday, February 4, 1965. The directors' meeting in Seattle, Wash., on January 25, 1965, unanimously endorsed full support of S. 490 and S. 794 as being in the best interest of the public by providing orderly completion of the Columbia Basin project and the start of the Kennewick division extension.

CHARLES BAKER,  
*President.*

HERBERT G. WEST,  
*Executive Vice President.*

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GRANDVIEW, WASH.,  
January 29, 1965.

Hon. HENRY M. JACKSON,  
*Senate Building, Washington, D.C.*

DEAR MR. JACKSON: Thank you for your recent telegram advising that S. 794 for the Kennewick extension has been introduced and a hearing set for February 4.

This is indeed good news and we landowners are extremely grateful for your efforts and interest.

I assume that previous letters supporting the 1964 bill will be used again in the hearing. However, we are attempting in the short time between now and February 4 to get some of the civic bodies in our area to again confirm this support by telegram or airmail.

We hope that the 1965 attempt will be successful in both branches of the legislature. The landowners earnestly want it and the area needs a boost.

Very truly yours,

MARSHALL T. SHAW,  
*Secretary for the Kennewick Irrigation District*  
*Extension Landowners Committee.*

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MOORE & MELLOR AGENCY,  
Prosser, Wash., January 29, 1965.

Hon. HENRY JACKSON,  
*U.S. Senate, Washington, D.C.*

DEAR SENATOR JACKSON: On behalf of the Kennewick Irrigation District Extension Committee I wish to thank you very much for your efforts and support in working for the end result of getting this portion of the Kennewick Irrigation District's remaining acres under water. I was very happy to hear that you would introduce Senate bill No. 794 and that a hearing was scheduled for Thursday, February 4, 1965.

I have asked the Prosser Chamber of Commerce in this area and the Benton County Commissioners to write a letter supporting the passage of this bill so that you may have this information at your disposal.

If there is anything else that might be done by our landowners committee kindly let me know.

Sincerely yours,

ROSS MELLOR,  
*Chairman, Kennewick Irrigation*  
*District Landowners Committee.*

THE PROSSER CHAMBER OF COMMERCE,  
*Prosser, Wash., January 29, 1965.*

Hon. HENRY M. JACKSON,  
*U.S. Senate, Washington, D.C.*

DEAR SENATOR: The Prosser Chamber of Commerce wishes to reaffirm its position strongly asking support for completion of the extension area of the Kennewick Irrigation District.

We respectfully urge passage of Senate bill 794.

Very truly yours,

ROBERT C. EVANS, Jr., *President.*

KITTITAS RECLAMATION DISTRICT,  
*Ellensburg, Wash., January 29, 1965.*

Hon. HENRY M. JACKSON,  
*Chairman, Senate Interior Committee,  
Senate Office Building, Washington, D.C.*

DEAR SENATOR JACKSON: I appreciate your advice that the Subcommittee on Irrigation and Reclamation of your Senate Interior Committee will hold hearings February 4 on S. 794 to authorize the Kennewick extension.

As you know this authorization is not a new start. It is for the completion of facilities contemplated under Public Law 629, 80th Congress, 2d session. Excess canal capacity was provided in the then authorized construction at a cost of \$341,400 to deliver water to the point of the construction authorized in S. 794. Also an adequate water supply from the storage system of the Yakima project is assured and under option of the Kennewick division for these lands.

This proposal has the support of the Kittitas Reclamation District because it will mean a full utilization of, and participation in, the costs of operation and maintenance of the present storage system.

Its authorization has also been urged by the membership of the Washington State Reclamation Association by resolution adopted at the annual meeting October 15, 1964, and by similar resolution at prior meetings.

Thank you for your continued support of this proposal.

Sincerely,

G. L. STERLING, *Secretary-Manager.*

KENNEWICK IRRIGATION DISTRICT,  
*Kennewick, Wash., January 29, 1965.*

Senator HENRY M. JACKSON,  
*Senate Office Building, Washington, D.C.*

DEAR SENATOR JACKSON: Mr. Marshall Shaw, secretary of Kennewick Irrigation District Extension Landowners Committee, has informed the Kennewick Irrigation District that a hearing has been set for February 4, 1965, on Senate bill 794.

Our board of directors wishes to go on record as being in favor of the passage of this bill at an early date.

Enclosed herewith is a copy of Resolution No. 64-10 which was passed by the board of directors on April 7, 1964. We would like to have it become a part of the records of the hearing of February 4, 1965.

Very truly yours,

ROSADELL HOPPE, *Secretary.*

[Enclosure]

RESOLUTION No. 64-10

Whereas the general plan of irrigation development contemplated in the organization of the Kennewick Irrigation District is one that involved, among other things, the acquisition, construction, reconstruction, improvement and extension of works for the reclamation of lands within the district, and the operation and maintenance of all such works;

Whereas the general plan of development of the "Kennewick Division Extension" determined by the U.S. Bureau of Reclamation, is the result of extensive and thorough investigation by that Bureau with respect to the available water supply, the character of the soil and its suitability to irrigation, the requisite works for supplying and distributing water and other problems bearing on the feasibility of the project, and, taking these investigations into account, this general plan has been found to be feasible by the Bureau of Reclamation, and the Bureau having recommended amendment of act of June 12, 1948 (62 Stat. 382) to accomplish this work: Now, therefore, be it

*Resolved*, The Board of Directors of Kennewick Irrigation District is in favor of construction of the "Kennewick Division Extension", under the provisions of applicable Federal and States laws; and it is further

*Resolved*, That the Secretary be directed to forward copies of this resolution to Hon. Catherine May and Senator Henry M. Jackson.

Passed by the Board of Directors of Kennewick Irrigation District this 7th day of April 1964.

PASCO, WASH., February 2, 1965.

Senator HENRY M. JACKSON,  
*Senate Office Building, Washington, D.C.:*

Regarding forthcoming hearings on Kennewick Extension before the Senate Interior Irrigation and Reclamation Subcommittee we will appreciate it very much if you can further explain to the committee the logic and good sense to completing this project. As you know, it is not a new project, but a proposed completion of an old established project. With Hanford cutback and loss of employment in area, we need to develop maximum acres of farmland to create agricultural opportunities to help us help ourselves. You know our situation better than anyone else. Please thank the committee for their consideration.

TRICITY NUCLEAR COUNCIL,  
GLENN C. LEE,

*Secretary.*

BALCOM & MOE, INC.,  
*Ellensburg, Wash., January 30, 1965.*

Senator JACKSON,  
*Senate Office Building,  
Washington, D.C.*

DEAR SENATOR: Gale Sterling advised me that on Thursday, February 5, you are going to have a hearing on the Kennewick Irrigation District extension.

We certainly hope that the committee acts favorably on this bill. We urge its passing.

Sincerely,

MAURY BALCOM,

