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HEARINGS

BEFORE THE
SUBCOMMITTEE ON PARKS AND RECREATION
OF THE

COMMITTEE ON
INTERIOR AND INSULAR AFFAIRS
UNITED STATES SENATE

NINETIETH CONGRESS

FIRST SESSION

ON

S. 25

A BILL TO PROVIDE FOR THE ESTABLISHMENT OF THE
GREAT SALT LAKE NATIONAL MONUMENT, IN THE STATE
OF UTAH, AND FOR OTHER PURPOSES

PART 2

JUNE 12, 1967



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HEARINGS

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COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

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 E. LEWIS REID, *Minority Counsel*

SUBCOMMITTEE ON PARKS AND RECREATION

ALAN BIBLE, Nevada, *Chairman*

- | | |
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| HENRY M. JACKSON, Washington | CLIFFORD P. HANSEN, Wyoming |
| CLINTON P. ANDERSON, New Mexico | THOMAS H. KUCHEL, California |
| FRANK CHURCH, Idaho | MARK O. HATFIELD, Oregon |
| FRANK E. MOSS, Utah | |
| GAYLORD NELSON, Wisconsin | |

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GREAT SALT LAKE NATIONAL MONUMENT

MONDAY, JUNE 12, 1967

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

The subcommittee met, pursuant to call, at 2:30 p.m., in room 3110, New Senate Office Building, Hon. Alan Bible (chairman of the subcommittee) presiding.

Present: Senators Bible, Jackson, Moss, Hatfield, Kuchel, and Hansen.

Senator BIBLE. The Subcommittee on Parks and Recreation will come to order.

This is the time that was regularly set in the notice for a hearing in further pursuing some of the problems that have arisen concerning the differences in evaluations of Antelope Island.

I think we should make a part of the record the letter of May 12, 1967, addressed to the Director of the National Park Service, Mr. Hartzog, signed by the chairman of the full committee, Senator Jackson, indicating some of the problems that have arisen concerning the differences in the valuations of the Antelope property.

That will be made a part of the record at this point.

(The letter referred to follows:)

MAY 12, 1967.

Mr. GEORGE B. HARTZOG, Jr.,
Director, National Park Service,
Department of the Interior,
Washington, D.C.

DEAR MR. HARTZOG: This is in further reference to the letter of April 28 signed by Acting Director Harthorn Bill concerning the controversy that has arisen in connection with S. 25 over the land acquisition cost of Antelope Island.

I am enclosing copies of additional correspondence I have received from Senator Wallace Bennett which deal with questions relating to the great variance in the appraisals of this property which were made for the State and the National Park Service. I have discussed this matter with Senator Alan Bible, Chairman of the Subcommittee on Parks and Recreation, and it is our opinion that you should immediately dispatch appropriate members of your staff to Salt Lake in order to thoroughly investigate all aspects relating to the differences in the evaluation of this property.

The information concerning the extraordinary differences in the appraised value of the land did not come to the attention of the Committee until after the bill was reported to the Senate. However, no further action will be taken on the legislation until these questions have been satisfactorily answered. It may be necessary to reopen hearings on the proposal in order to ascertain the true facts in the matter.

Sincerely yours,

HENRY M. JACKSON, *Chairman.*

Senator BIBLE. A responding letter of May 22, 1967, acknowledging Senator Jackson's letter of May 12, 1967, will also be made a part of the record.

(The letter referred to follows:)

U.S. DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, D.C., May 22, 1967.

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

DEAR MR. CHAIRMAN: Thank you very much for your recent letter concerning the estimates of land acquisition cost at Antelope Island at the proposed Great Salt Lake National Monument in Utah.

We are in entire agreement with your view that a thorough investigation should be made of all factors in the valuation of this property. We are, therefore, sending Mr. Philip Troy, the Chief of our Appraisal Branch, to make an on-site study. We will report further to you when Mr. Troy's study is complete.

Sincerely yours,

EDWARD A. HUMMEL,
Assistant Director.

Senator BIBLE. The letter that has just been received, dated June 9, 1967, signed by Mr. H. L. Bill, the Acting Director of the Park Service, will be made a part of the record at this point, also.

(The letter referred to follows:)

U.S. DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, D.C., June 9, 1967.

L1425-OLW.

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

DEAR MR. CHAIRMAN: This is in further reply to your letter of May 12 in which you requested that a member of the National Park Service staff be sent to Salt Lake City to investigate all aspects relating to the differences in the valuation of Antelope Island. Mr. H. Philip Troy, Chief of the Appraisal Branch of the National Park Service, conducted this investigation. We are pleased to provide the following information obtained from the field investigation and from a review of material in the Washington Office of the National Park Service.

Early in 1959, Senator Moss of Utah requested the National Park Service to make a reconnaissance of the national park or monument potentialities of Great Salt Lake. This was accomplished by a preliminary survey completed in November 1960. On January 14, 1963, Senator Moss introduced S. 25, 88th Congress, which would have established the west half and a part of the north half of Antelope Island as a national monument. The total area considered was 17,000 acres of land and 4,500 acres of water having a total value of \$407,500 based on assessment records in the county courthouse.

Experience has shown that assessed values of rural lands especially are seldom accurate for various reasons including the ability of a county to finance reliable appraisals. Should information subsequently developed in a realistic appraisal have been substituted as a measure of value for this 17,000-acre area, a reliable estimate would have been \$1,100,000 including severance damage to the remainder.

Senator Moss introduced a bill in the 89th Congress, S. 25, on September 20, 1965, providing for a national monument which would include the entire island (approximately 26,000 acres).

In connection with its study of the new proposal, the National Park Service obtained the services of an independent appraiser, Mr. Wes Newton, who had extensive experience in appraising ranches in the western States. Mr. Newton delivered his completed appraisal on April 25, 1966. The estimated cost of \$1,700,000 furnished the Committee in the Department's report of September 1, 1966, was based on the Newton appraisal and included a moderate contingency and administrative cost.

Meanwhile, study of the proposal as well as the acquisition cost estimate continued. Broad experience in the field of real estate acquisition has shown that

negotiating difficulties and possible verdicts in excess of appraised values in the event of litigation indicated the need to increase the allowances for contingencies and administrative costs. Inclusion of these anticipated increases in costs were reflected in the Department's report of March 10, 1967, on S. 25, 90th Congress, to the Committee giving total costs as \$2,245,000.

Prior to the Department's report of September 1, 1966, on the bill in the 89th Congress, all figures submitted were based on the best information available without benefit of an appraisal. All subsequent submissions of value were based on the previously mentioned appraisal prepared by Mr. Wes Newton. The Newton appraisal has not at any time been revised or altered in any manner. As a matter of fact, no revision of the Newton appraisal has been indicated since it is a well-developed value estimate formulated in accord with acceptable appraisal techniques. Mr. Newton supports his estimate of value by comparison with a listing of twenty ranch sales having varying degrees of similarity with Antelope Island. In order to establish appropriate comparability, Mr. Newton examined ranch sales in Box Elder, Davis, Morgan, Tooele, Weber, and Summit Counties in the State of Utah. On the broad information base provided by knowledge of the lands that had been sold, Mr. Newton estimated the approximately 26,125 acres comprising Antelope Island to have a value of \$1,317,000 to which he added a contributing value of the improvements of \$142,000. His total value estimate was rounded to \$1,400,000.

The improvements existing on Antelope Island include a ranch house for the foreman, sleeping quarters for the ranch hands, bunk house and blacksmith shop, root cellar, spring house, hydraulic ram and pump house, power house, implement shed, stockades, fences, and miscellaneous items such as ramps, loading chutes, cattle guards, etc.

In 1964, the Great Salt Lake Authority is reported to have secured three appraisals of Antelope Island that estimated a value range of \$22 to \$27 per acre. In May of this year one of the appraisers is reported to have revised his appraisal upward to reflect a value of \$50 per acre for land and a severance damage of \$100,000 to the remainder as a basis for the lease purchase agreement involving 2,000 acres to be acquired from the Island Ranching Company by the Great Salt Lake Authority. These 2,000 acres are located on the northern end of Antelope Island and are planned to be developed into a State-owned but privately operated recreation area. Should Antelope Island be acquired in its entirety, severance damage to the island would be eliminated. The appraisal made by Mr. Newton is developed on the basis of total purchase of the island. This Office had no responsibility for or interest in the appraisals obtained by the Great Salt Lake Authority. We have had no opportunity to review them, and therefore, comment by us as to their quality or accuracy is not appropriate beyond the fact that the latest appraisal made for the Great Salt Lake Authority, reporting a land value of \$50 per acre is essentially the value estimated by Mr. Newton. The lease purchase agreement now proposed between the Great Salt Lake Authority and the Island Ranching Company provides for a total payment of \$210,000 at the rate of \$21,000 per annum for a 10-year amortization period. Provision is made that should the island be acquired by the United States after execution of the agreement, all monies paid prior to acquisition will be returned to the Authority except \$7,000 per annum that may be retained by the ranching company as rental. Capitalization of \$7,000 gross rent per annum at 6 percent indicates the land involved to have a value based on income of \$116,666. This is a gross value of approximately \$58 per acre which is within reasonable range of the latest appraisal made for the Great Salt Lake Authority as well as the appraisal prepared by Mr. Newton.

If it is the wish of the Committee, we will be pleased to discuss or answer questions on the matter of relicted lands and such other matters as the Committee may desire, at its meeting on June 12.

Sincerely yours,

HARTHON L. BILL, Acting Director.

Senator BIBLE. On June 6, 1967, Senator Moss offered an amendment to the bill S. 25. That amendment will be included in the hearing record at this point.

(The amendment referred to follows:)

[S. 25, 90th Cong., 1st sess.]

AMENDMENT Intended to be proposed by Mr. Moss to S. 25, a bill to provide for the establishment of the Great Salt Lake National Monument in the State of Utah, and for other purposes, viz:

On page 6, line 4, strike out the figure \$2,245,000, and insert in lieu thereof the figure \$1,600,000.

Senator BIBLE. I think the issue is one entirely of trying to determine what the correct valuations are of the property in question because of the variance that we have had over the last several years in committee hearings and in reports we have brought to our attention as members of this committee.

I think that is all we need by way of preliminaries before we proceed with the hearing.

Our first witness on the list is the senior Senator from Utah, Wallace F. Bennett.

Senator Bennett, we are very happy to have you here with us today.

STATEMENT OF HON. WALLACE F. BENNETT, A U.S. SENATOR FROM THE STATE OF UTAH

Senator BENNETT. Thank you, Mr. Chairman.

Before I begin, in order that I may clearly understand the ground rules, I would like to know if I am limited to a discussion of the financial or monetary aspects of this problem.

I was told that those aspects would be taken up in executive hearing not open to the public. I assumed that I would be agreed to make other comments.

Senator BIBLE. I have no intention as chairman of this subcommittee of limiting anyone and particularly you, Senator Bennett. I think the main problem the committee has is this valuation problem, because it is one that has been batted around and we have had different figures over the last several years.

We had asked, as the letters which I put in the record indicate, the Park Service to check these out and tell us what they were. They have made some indication that if they tell us what the appraised figures are, it does a certain disservice to them in attempting to acquire property.

I don't completely share that view. I have sat on many of these hearings and I don't know how we can determine what type of price tag we should put on property unless somebody tells us what it is worth, unless Mr. Hartzog has some reason for keeping this in executive session.

Do you have anything you want to indicate on that point, Mr. Hartzog?

Mr. HARTZOG. Mr. Chairman, these figures have already been made a matter of record in the Salt Lake City press so we certainly have no objection to discussing them on the record.

Senator JACKSON. I should say, Mr. Chairman, this question of whether we would discuss this matter in executive session arose before. The matter of appraisal had been made public.

Senator BENNETT. Since the meeting was called, I was told there would be some discussion of the problem in open session and then the committee would go into executive session. It does not make any difference to me.

Senator JACKSON. This was with reference to the earlier situation regarding the appraisal which the Park Service was concerned about being made public, but since then, Mr. Chairman, based on Mr. Hartzog's statement this afternoon, those figures, which I believe were confidential before, were they not, Mr. Hartzog, are now public?

Mr. HARTZOG. They are now public and therefore we have no objection to discussing them in open hearing.

Senator BIBLE. I don't think you can keep them confidential anyway.

You come before us on various bills saying you need x number of dollars and we have to consider the testimony and arrive at a sound and reasonable conclusion, so I see no reason at all to keep this in executive session, personally.

I think the main concern that we have, I would say to my good friend from the State of Utah, is this valuation question. I am not going to try to preclude you, Senator, from making other comments if you so desire. My main concern is the problem of valuation but I don't want to limit you in what you have to say.

Senator BENNETT. Mr. Chairman, I will proceed then and get into the valuation after an opening statement and a few general comments.

In the open hearings on S. 25 held March 13, 1967, I submitted a statement to the committee asking for a delay in passing the bill for a number of more or less general reasons. As a result of that statement I began to get information from back home in Utah which raised a number of new questions in my mind, and I asked that consideration of the bill on the Senate floor be held up.

During this period I also raised some questions with the Park Service and asked for further delay until these questions were answered.

Also during the same period there were many interesting new developments which led me to attempt an ever-broadening investigation of the proposal. As a climax to that investigation I made a trip to Utah between May 22 and June 4, during which I devoted a great deal of time to the problem.

At the suggestion of Chairman Jackson, the Park Service sent one of its top appraisers, Mr. Philip Troy, to meet me in Salt Lake City, and as a result of conversations between me and representatives of the Park Service, including Mr. Troy, Mr. Thomas Kornelis, Mr. Bates Wilson, and Mr. William Krueger, an arrangement was made under which Mr. Joseph F. Carithers came up from Albuquerque and met me on Friday, June 2.

Tuesday, May 23, after a preliminary meeting with Mr. Troy, he and I, with Mr. Krueger, went to the island in a car driven by Mr. William J. Howell, president of the Island Ranching Co., and spent several hours in a view of it from an automobile on the ground.

On Thursday the 25th a group which included the four Park Service representatives, myself, and Mr. Lyle Ward, flew around the island and down the Jordan River channel in a helicopter provided to Mr. Troy by the Air Force from Hill Air Force Base.

Later that same week Mr. Robert S. Campbell, Jr., attorney for the Island Ranching Co., asked for an interview, which took place in my office in the presence of Mr. Ward. As a result of these experiences my testimony today will be much more to the point, and instead of recommending a delay, I recommend to the committee that the bill be

recalled from the Senate calendar and abandoned, at least until the planned development of a State park on the north end of the island tests its interest to tourists.

I have many specific reasons for making this strong recommendation. These fall naturally into four basic propositions:

1. Taken as a unified whole, in my opinion, the land and water area covered by the bill falls far short of being intrinsically worthy of becoming a part of our national park system, and I think this may have some relation to the values we have talked about.

2. The only genuine interest in the island involves bathing in the lake for which no satisfactory facilities now exist. All other support is either synthetic or self-serving, in my opinion.

3. Federal action now would be unfortunate and untimely.

4. Moreover, I have serious questions about the financial aspects of the whole problem.

I have rather detailed material to back up all four of these statements but since you want to concentrate on the financial aspects, I will hurry through most of this.

I think the island is not worthy for these reasons:

First, to describe the island, it is a long, narrow hill which rises or once rose out of the lake. It is now connected with the mainland. It has a high western ridge which slopes immediately to the water and this ridge rises above the lower area which slopes east until it includes the exposed lands which are exposed to the streambed of the Jordan River which separates most of the island from the mainland and which is still, after many years, polluted because it was for many years carrying the sewage of the cities in that area into the lake. While some attempts have been made to handle that sewage, they have not been entirely successful.

My trip to the island confirms my impressions which I will give briefly:

First, the island has no unusual natural beauty. If it were a hillside in the general area of Salt Lake it would be passed without notice. The fact that it is in the middle of the lake, of course, is what brings it to your attention.

It has no unusual geologic features. It has no historical significance. No important person in the history of Utah ever lived on the island; no important event ever took place on the island.

There is one building on it which was built in 1848 or 1849 but it is not an imposing building. I will wrap that one up by saying I have in my library a 6-volume history of the Mormon Church which contains 3,400 pages and I can't find a single reference to the island in its index.

Senator Moss. Would the Senator mind being interrupted here?

In the report of the committee it is pointed out that the building on Antelope Island is the oldest building in the State of Utah still being used for the purpose for which it was constructed. In the face of that, would you say it has no historic significance or interest?

Senator BENNETT. The fact that the ranch foreman is living in an old adobe building which may be 120 years old does not give the island historic interest. If we were going to make a national monument out of anything that has the oldest building existing in any State, we would have a lot of fun.

But you are talking about interest to the Mormon Church as an institution. The church never owned the island.

In the days before there was any landownership, before the United States set up a land office, in one particular year I can find evidence that the church used it as a pasture. In fact, its use as a pasture, or rather, a grazing range, because the quality of the range does not qualify it to be called a pasture, is the highest use that the island has ever had.

It represents its present use.

We were on the island at its most desirable time of the year. There was still some feed on it and the springs were still running but the amount of water they generate is comparatively small.

In practice, the island can only be used from the time the snow melts until about the first of June.

When we were there before the first of June, they were already beginning to move the cattle off. By now the cattle are all off and they won't be able to feed any more cattle there until next March or so.

Senator GRUENING. Would the Senator yield for a question?

Senator BENNETT. Yes.

Senator GRUENING. Do you not think, since this is the oldest building in use, it would give it some historical value?

Senator BENNETT. If you were to see the building you would say you were stretching it pretty far to buy 26,000 to 29,000 acres of ground with all of the attendant costs to preserve a low, one-story building which I am sure the owners of the island use simply because they don't want to invest any more money in a more convenient home for their foreman.

Senator GRUENING. If the Senator will permit me, his reply is not appositive to my question. You said it had no historic value at all. The Senator says there is no historical value here.

I point out in the report it says this is the oldest building in the State still used for its original purpose. The year 1849 is a long way back for the State of Utah.

Senator BENNETT. There is an older building than that on Temple Square but it is not being used for a residence.

Senator GRUENING. That is continuity over a century and I would say for Utah that would have significant historical value.

Senator BENNETT. Would my friend invest the amount of money involved here for that purpose?

My chief point is that from the point of view of the Mormon Church this island has no particular historical value.

May I go on?

Senator BIBLE. Certainly, Senator.

Senator BENNETT. The land, as I say, has been used as a cattle range. It is a very meager cattle range as evidenced by the limited use that can be made of it. The Park Service people have said or told me if they take the island over, of course, they would stop all use of the range in the hope that it could, over the years, be restored to its original condition since it is part of their gospel that the thing should be in there in the original condition.

Nobody knows exactly what the original condition of the range on the island is, though it would probably be possible to replant grass and let it grow up and then leave it there because, if it becomes a national monument, you are not going to allow grazing on it.

Thinking of the island from the point of view of its tourist value, I can't believe that it can be made into an attractive tourist attrac-

tion, particularly in the summer when the tourists come, because then it is hot, the grass is going to be dry and brown, there is no water unless they develop it artificially.

Trails that would be built would be very unpleasant to travel on in the hot summer. There are no real shade trees except a few up near the crest of of this peak on the northwest side of the island.

The springs dry up. There would be a real fire danger. Most of the people who go out to look at the island go when we did, which is in the spring, when it is green, but it is a different animal in July and August when the tourist season comes.

Senator Moss. Has the Senator inquired carefully about whether springs dry up? As I understood your testimony, you said the springs dry up. The springs continue year around. I have been on the island, I think, in every month of the year. In fact, that ranchhouse gets its water out of that spring under those great huge cottonwood trees all year around and that is right down on the water line.

Senator BENNETT. The springs produce less water. They don't produce enough water, most of them, except for that one big one where the ranchhouse is, to keep green grass growing.

If the purpose of developing the island is to provide trails and walks, we have the Wasatch Mountains immediately behind the city in which there are miles of trails under shade with ample water, high enough to be cool. I feel that this is not an adequate reason for making a national monument out of the island.

An argument is made with some justification that the island can be made into a platform from which you can look at the lake. The lake is the geologic phenomenon but there are many other places from which you can look at the lake.

As I shall point out in a minute or two, and as I think the committee knows, the State of Utah has moved to develop a part on the north end of the island, and within the area it has leased from the owners there is a small knoll on which a lookout can be seen that, while it would not give all of the variety of views that you could get by traveling over expensive roads from one high point to another, I think it would give you a look at the lake.

Mr. Chairman, the Park Service recognized all of these things earlier, and in 1960 there are a number of reports issued saying such things as "the land and water proposed for national park designation may not be suitable for recognition."

I would like to offer these statements for the record. I will not take the committee's time to read them.

Senator BIBLE. Without objection, they will be incorporated into the record at this point.

(The reports referred to follow:)

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D.C., May 9, 1960.

HON. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, U.S. Senate, New Senate
Office Building, Washington, D.C.

MY DEAR MR. CHAIRMAN: This is in reply to your request for the views of the Bureau of the Budget on S. 2894, a bill to authorize the Secretary of the Interior to establish the Great Salt Lake National Park in the State of Utah.

The report which the Secretary of the Interior is submitting on this bill refers to certain problems to be solved in this area, and makes no recommendation pending further study of the proposal.

This Bureau concurs in that report and, accordingly, recommends that S. 2894 not be enacted at this time.

Sincerely yours,

(Signed) PHILLIP S. HUGHES,
Assistant Director for Legislative Reference.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., May 10, 1960.

Hon. JAMES E. MURRAY,
*Chairman, Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.*

DEAR SENATOR MURRAY: Your committee has requested a report on S. 2894, a bill to authorize the Secretary of the Interior to establish the Great Salt Lake National Park in the State of Utah.

At this time we make no recommendation for the reasons hereinafter given, and suggest that action on this bill be deferred.

The National Park Service has conducted preliminary field investigations of the Great Salt Lake with the purpose of gathering data for use in determining its suitability and feasibility as a national park. Yet, questions concerning land and water areas, if any, to be encompassed; the effect of conflicting or adverse uses on the area's geological and biological values; status, type, and value of land suitable for park purposes; and potentialities of the area for preservation, public use, interpretation, and development, must be resolved prior to presentation of a complete study to the Advisory Board on National Parks, Historic Sites, Buildings, and Monuments.

Our investigations have revealed that one of the more serious drawbacks to establishment of a park or monument at Great Salt Lake is the use of lake waters as a depository for municipal and industrial wastes. We feel that the possibilities for preservation and interpretation of the scenic and other significant values at Great Salt Lake are dependent to a large extent upon corrective measures that may be taken to alleviate this condition.

The Department is of the opinion that until the Advisory Board has evaluated such data as is assembled on the area by the National Park Service no recommendation should be offered.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

ROGER ERNST,
Assistant Secretary of the Interior.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF UNDER SECRETARY,
Washington, September 19, 1960.

Hon. FRANK E. MOSS,
*U.S. Senate,
Washington, D.C.*

DEAR SENATOR MOSS: Thank you for your letter of August 25 regarding the scheduled public hearings on S. 2894 and the material you enclosed. We also wish to acknowledge the identical letters which you sent to other individuals in the Department including Messrs. Leffler, Woosley, Wirth, and Dominy.

The proposal for the establishment of the Great Salt Lake National Park merits thorough deliberation to determine whether the area is of national park caliber. The hearings scheduled for November 16, 17, and 18 should be helpful in making that determination.

When the information and testimony presented at the hearings becomes available, and is added to the data being assembled in this Department, we will be able to make a sound recommendation on any further legislation which may be considered by the Congress.

Sincerely yours,

FRED G. AANDAHL,
Assistant Secretary of the Interior.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D.C., September 27, 1960.

Hon. JAMES E. MURRAY,
Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.

DEAR SENATOR MURRAY: This is in reply to your request for the views of the Department of the Interior on an amendment, in the nature of a substitute, to S. 2894, a bill to authorize the Secretary of the Interior to establish the Great Salt Lake National Park in the State of Utah.

This Department makes no recommendation at this time for the reasons hereinafter given, and suggests that action on the substitute for the former bill be deferred.

One reason for suggesting that your committee delay action on this legislation stems from the available information which indicates that the land and water area proposed for national park designation in the substitute bill may not be suitable for recognition.

Another reason for requesting a delay is based on our understanding that the Utah State Park and Recreation Commission, as a result of studies made by it in 1959, feels that the several State agencies whose interests and endeavors concern Great Salt Lake should be empowered, as a special authority, to analyze the manifold potentials and problems of the lake, its islands, shorelines, beaches, and bed with regard to maximum public benefit and use. The Commission expressed the hope that such a survey would give precedence to an immediate study of health and pollution matters, the recession of the lake, the surveying of the lake's western shorelines, and a thorough evaluation of possible recreational uses of the lake. This Department, under the authority of the act of June 23, 1936 (49 Stat. 1894), which gives the Secretary of the Interior the power to direct the National Park Service to make a study of the park, parkway, and recreational area programs of the United States and the several States, would be pleased to cooperate with other Federal agencies and aid Utah State agencies in making a survey to determine what may be done to improve the public usefulness of Great Salt Lake and to evaluate its recreation and education potential.

The Bureau of the Budget has advised that there is no objection to the submission of this report to your committee.

Sincerely yours,

GEORGE W. ABBOTT,
Solicitor, Department of the Interior.

Senator MOSS. In 1960 the bill I introduced was to make the whole of the Great Salt Lake a national park, including all of the shorelines all the way around.

Senator BENNETT. This is the report to the amended version which included Fremont and Antelope Islands.

Senator MOSS. This was not introduced until 1963.

Senator BENNETT. We will look that up.

Senator BIBLE. Just so we have the record straight. You are speaking about the same thing.

Senator BENNETT. I will close this part of my comment.

I recognize that this proposal is the last remnant of a series of proposals that Senator Moss has made beginning in 1960 where he originally suggested that you take in the whole lake.

Then he took a rectangle out of the lake. Then he took the west side of Antelope Island and the north side and, finally, he has taken the island itself chiefly, I suppose, because the Park Service indicated how difficult it would be to cut a piece out of that island and administer it.

In 1963, a State agency was formed to develop bathing facilities on the north end of the island or to develop a park whose chief interest would be in bathing on the island. It attempted to take over part or

all of the island by condemnation in 1964 backed by appraisals of around \$25 an acre for the land.

The owners successfully blocked that in the courts. Then realizing that this pressure had developed some recreation, particularly bathing on the island would continue, apparently they have joined enthusiastically to support Senator Moss' bill to sell the whole island to the Federal Government, believing, I am sure, they could get a better price than the \$25 an acre which was probably the basis or would have been the basis of the State's condemnation proceeding if they had not been blocked in the courts from proceeding.

As I have thought through this problem my mind went back to a quatrain that I have often quoted and I have amended it to meet this situation. It was originally written by Alexander Pope who said, and this is the Bennett version:

"The island's features have so dull a mien
That to be rejected need but to be seen.

"But seen too oft-familiar with the place
They (the Park Service) first endured—
then pitied—then embraced."

That is the situation we have at the present time.

Senator BIBLE. We will ask George Hartzog to look at his book of poems and to be ready to respond in good time.

Senator BENNETT. Mr. Chairman, referring to the question of when the Senator changed his bill to amend it from an entire lake to a rectangle in the middle of the lake, he introduced an amendment on May 4, 1960, having introduced his original bill on January 25, 1960.

It is my second point that at the present time Federal action would be unfortunate and untimely. The State has already gone to work to develop a State park on the north end of the island to provide the necessary or desirable bathing facilities.

After a good deal of filling and hauling, the Great Salt Lake Authority signed the lease for 2,000 acres at \$105 an acre. It is a lease-purchase agreement under which the owner of the island will not only allow them the use of the 2,000 acres, but will permit them to quarry from the island 250,000 cubic yards of fill which will be used to finish the road across the Jordan River channel near the north end of the island. This process is going forward.

Senator BIBLE. Do they have a money amount on that, Senator Bennett?

Senator BENNETT. The State appropriated \$400,000.

Senator BIBLE. They have appropriated \$400,000 to develop how many acres?

Senator BENNETT. 2,000 acres.

Senator BIBLE. That amount has been appropriated?

Senator BENNETT. Then in addition, it is my understanding that they have \$250,000 remaining in the Great Salt Lake Authority fund earlier appropriated and the State road commission or the State highway commission, I understand, has agreed to put up \$100,000 to bring the road to the island.

The amount of money for which the State has obligated itself to the owner of the island is \$210,000.

Senator MOSS. I think, to be accurate—if I may interject—the amount of money that was appropriated for the operation of the Great Salt Lake Authority in its entirety for the next biennium was \$400,000.

Now, one of the things charged the authority is this island but it does have other things to do with money.

Senator BIBLE. How much money will they expend on the development of this beach which, as I understand it, you concede is one real attraction of the area because people can go to the Salt Lake and they can go bathing in the Salt Lake and they will be sustained because of the great amount of salt? You can just float there indefinitely as I remember my baptism in the Great Salt Lake. I kind of like it, myself.

Senator BENNETT. So do I and I hope we can get back to it.

Senator BIBLE. My purpose is to elicit from you whether or not this is a good project for the State park system and if it is attractive in that direction then why is it not equally as attractive as being a national monument. Where do you draw the line between the two?

Senator BENNETT. Once you have taken the 2,000 acres off the north end of the lake and developed the beach, you have most effectively used the most attractive end of the island and all you have left is a pasture with a few high points which, if you are going to develop it with other roads, will prove to be pretty expensive.

I would like to come back to talk about other methods the State has of improving the access to this new bathing beach.

Senator BIBLE. I just want to find out the points of difference in your point No. 1 and your point No. 3. If I understand you correctly, it is all right to develop this as a State park where bathers can come and it would be an attraction for that reason but 2,000 acres, if I understood you correctly, is all that can be properly developed for this purpose. To spend money beyond that is really a waste of Federal funds because there is nothing else to see there except some rather poor grazing land and some mountains and this does not make use of the bathing facilities. Is that the thrust of what you are saying?

Senator BENNETT. That is right. I think the State development will be more effective for a number of reasons, which has already begun.

That brings us to the question if this bill passes, what happens to the State's activities?

The Governor, in announcing the signing of the lease, said one of two things would happen: Either the Federal Government would not buy the 2,000 acres and leave the State in control of the land that it has acquired and leave it in control of the bathing beach or an arrangement would be made under which the State would operate the beach under the control of the National Park Service.

My experience in Salt Lake 2 weeks ago and in my discussions with the representatives of the Park Service, it is indicated clearly that the Park Service intends to buy the whole island.

Then we come to the question—

Senator BIBLE. Do you mean including the State beach which is under this lease?

Senator BENNETT. That is right. The option it offered to the owners of the island was for the whole island. I do not think I am saying more than I should when I say that in our informal discussion about the development of the island, the representatives of the Park Service

indicated to me that it was quite a task for them to agree to develop a beach because that is not how national monuments are developed.

They finally decided you could not understand the lake unless you could bathe in it, so on the grounds that the lake was for bathing purposes and you could understand it, you could develop the beach area.

I am still greatly puzzled and I think this committee should seriously consider the confusion that exists about this concept that is talked about always in Utah as to how the State is going to operate this concession on the north end of the island.

The words have been used "must be allowed to operate it." The Governor says they will either operate it for themselves or the Park Service will let them operate it as concessionaires and yet when the bill went through this committee language which would have made that possible was stricken from the bill.

It was put in the report, but I do not think that gives any assurance to the people of Utah that the State is going to operate that bathing beach.

Senator BIBLE. It would be helpful to the committee if we had furnished for the record, and I am sure it can be obtained through either your office or Senator Moss' office or the Park Service, I think we ought to have a copy of the lease entered into with the State of Utah or the Great Salt Lake Authority as well as exactly what it is that the Governor of Utah said at the time of the signing.

He must have made some formal proclamation at the signing. When was this?

Senator BENNETT. Last Saturday. All I have is a copy of the statement published in the paper and it says this—I think I will ask that this statement be included in the record at this point rather than read the statement and take up the committee's time.

Senator BIBLE. It is so ordered.

(The statement follows:)

[From the Salt Lake Tribune, June 10, 1967]

RAMPTON SIGNS ANTELOPE ISLE PURCHASE CONTRACT

(By Douglas L. Parker, Tribune staff writer)

Four years of state action toward developing the Great Salt Lake's Antelope Island as a tourist attraction reached a milestone Friday with the signing of a purchase agreement for 2,000 acres on the island's northern tip.

William H. Olwell, president of the Island Ranching Co., owner of the 28,000-acre island, joined with George Buzianis, chairman of the Great Salt Lake Authority in signing the agreement with Gov. Calvin L. Rampton.

COMPLIMENTS GOVERNOR

"I want to compliment the governor and the chairman for their businesslike approach to the matter," Mr. Olwell said after the agreement was signed in the governor's office.

"Nevertheless, it is an unhappy day for the Island Ranching Co.," he added, referring to the ownership of the island for nearly 100 years by family interests in the firm, formerly known as Island Improvement Co.

A representative of the State Finance Department passed to Mr. Olwell, represented by attorney Robert S. Campbell Jr., a check for \$21,000—first payment under the agreement.

PAY FOR 10 YEARS

The agreement calls for a purchase price of \$210,000 to be paid in annual installments for 10 years.

Members of the five-man authority looked upon the transaction as a historic moment, with William Holt, Syracuse, first authority chairman, noting that interest in island development as early as 1960 resulted in creation of the authority in 1963.

Since then the authority had initiated condemnation proceedings for island land, followed by a Utah Supreme Court decision stating the authority lacked the power of eminent domain. This year the Utah Legislature specifically gave the agency that power. A negotiated settlement followed.

In responding to Mr. Olwell's remarks, Gov. Rampton noted the Utah Legislature has made the decision that the island land is needed for state development.

While the state will be able to develop recreational facilities on the island by itself, the full potential cannot be realized until the balance of the island becomes a national monument, the governor said.

He referred to a bill sponsored by Sen. Frank E. Moss (D-Utah) to acquire the island for such a monument. Sen. Wallace F. Bennett (R-Utah) has objected to the proposed expenditures for the island.

CONCERNS GOVERNOR

"I'm concerned by the opposition, particularly by our senior senator," Gov. Rampton said, "It's not warranted."

An island national monument would enhance state development, the governor said, pointing out National Park Service recommendations for such a monument.

"It seems to me folly for people to resist this," Gov. Rampton said, "and I hope the Great Salt Lake Authority will continue to push for creation of an island national monument."

Mr. Buzianis responded: "You can be assured that we will, and at the same time, the state will attempt to develop its island acreage as rapidly as possible."

The authority chairman emphasized that the public will be barred from the northern tip of the island until a wire fence is erected to separate the state's acreage from the remainder of the island.

Senator BIBLE. Is there any indication in any of these releases how much the State of Utah plans to spend on the development of the north end of Antelope Island?

Senator BENNETT. My understanding is that the State of Utah, once it acquires the leasehold on the island, expects to advertise to get private concessionaires to go in and construct the bathing facilities and the eating facilities that would be required. Their only promise is that these facilities will be built up to what they call national park standards.

Senator BIBLE. We will see if we can obtain through the authority the copy of the executed lease. I think it would be helpful to the committee.

We run into these problems in practically every national park or national recreation area or monument we have had over the last 5 years.

We have the very frequent conflict between State parks and national parks and national monuments. I think it is very important that we obtain a copy of the executed lease.

Senator MOSS. I will be glad to supply a copy of the executed lease. I don't want to burden the record now except to point out that that committee discussed this almost to exhaustion about what the relationship would be and how the State would operate as a concessionaire in the event the Federal Government acquired this as a national monument.

The chairman of the full committee made the recommendation that this be put in the record where it remains now to establish what

the relationship would be. I don't think there is anything that is not clear about it at all.

It has been discussed with the Great Salt Lake Authority and the Governor many many times.

Senator BIBLE. I am sure that is true but the lease has now been executed and I would like to see what the executed lease says because those would be the ground rules under which the State of Utah would operate.

(The information requested follows:)

LEASE AND OPTION TO PURCHASE AGREEMENT BETWEEN THE ISLAND RANCHING CO., A UTAH CORPORATION, LESSOR AND OPTIONOR, AND THE GREAT SALT LAKE AUTHORITY, FOR AND IN BEHALF OF THE STATE OF UTAH, LESSEE AND OPTIONEE

This agreement made and entered into this 9th day of June, 1967, by and between the Island Ranching Company, a Utah corporation, with its principal place of business at Salt Lake City, Utah, sometimes hereinafter referred to as the "company", and the Great Salt Lake Authority, a public agency of the State of Utah, sometimes referred to hereinafter as the "authority",

Witnesseth:

That whereas the Island Ranching Company, formerly known as The Island Improvement Company, is now and has been since before the turn of the Century, the owner of virtually all of that body of land known as Antelope Island, lying within the reaches of the Great Salt Lake in Davis County, State of Utah;

Whereas the Great Salt Lake Authority is desirous and intent upon leasing from the Island Ranching Company, a part of Antelope Island being the northerly 2,000 acres thereof for the express purpose of the creation, establishment, development and maintenance of a State Park for the use and benefit of the general public; and

Whereas, said Great Salt Lake Authority is further desirous of purchasing the said northerly 2,000 acres of Antelope Island from the Island Ranching Company at the expiration of the leasehold term in the event that the United States of America has not by that time declared and established Antelope Island to be a National Monument in the Great Salt Lake;

Now therefore, the company, in consideration of the rents to be paid by the authority as hereinafter set forth and the covenant, promises and agreements hereinafter stipulated to be mutually kept and performed by the company and the authority, does hereby lease and demise unto the authority, upon the terms and conditions stated hereinafter, that certain tract of real property on Antelope Island in the Great Salt Lake, in Davis County, State of Utah, more particularly described as follows, to-wit:

A portion of Section 6, Township 3 North, Range 3 West, Sections 19, 30 and 31, Township 4 North, Range 3 West, Sections 24, 25, 35, and 36, Township 4 North, Range 4 West, and Sections 1 and 2 Township 3 North, Range 4 West, described as follows:

Beginning at a point on the meander line of the Great Salt Lake, said point being North 66.00 feet and North 81°00' West 1650.00 feet from the Northeast corner of Section 31, Township 4 North, Range 3 West, Salt Lake Base and Meridian, and running thence along said meander line as follows: North 66° West 1089.00 feet; thence North 28°00' West 1518.00 feet; thence North 14°00' West 2706.00 feet; thence North 40°00' West 693.00 feet; thence North 65°00' West 726.00 feet; thence North 81°00' West 132.00 feet; thence West 561.00 feet; thence South 77°00' West 1386.00 feet; thence South 70°00' West 594.00 feet; thence North 53°00' West 330.00 feet; thence North 45°00' West 264.00 feet; thence North 80°00' West 330.00 feet; thence South 45°00' East 884.40 feet; thence South 41°00' East 1056.00 feet; thence South 19°00' East 1122.00 feet; thence South 22°00' West 1386.00 feet; thence South 40°00' West 2277.00 feet; thence South 52°00' West 2079.00 feet; thence South 74°00' West 858.00 feet; thence North 84°00' West 3300.00 feet; thence South 51°00' West 198.00 feet; thence South 25°00' West 858.00 feet; thence South 25°00' East 594.00 feet; thence South 49°00' East 1320.00 feet; thence South 20°00' East 990.00 feet; thence South 5°00' East 1056.00 feet; thence South 31°00' East 428.00 feet; thence South 65°00' East 1188.00 feet; thence North 85°00' East 4092.00 feet; thence South 70°00' East 792.00 feet; thence South 60°00' East 1320.00 feet; thence South 32°00' East

1556.73 feet to a point which is South 7°35' East 296.14 feet from the West $\frac{1}{4}$ corner of Section 6, Township 3 North, Range 3 West, Salt Lake Base and Meridian; thence leaving said meander line and running thence North 22°34'23" East 9342.90 feet to the point of beginning. Containing 2,000.0 Acres.

Provided, that this agreement is strictly subject to the following covenants, provisions and conditions:

I. LEASEHOLD TERM

The term of the leasehold estate granted by the company to the authority herein shall be for a term of ten years, said term to commence on the 9th day of June, 1967, and to expire, unless sooner terminated as provided hereinafter, on the 8th day of June, 1977.

II. LEASEHOLD RENTAL

The authority covenants and promises hereby to pay or cause to be paid, unto the company, the sum of \$210,000.00 in ten annual and equal installments in the following manner:

(a) \$21,000.00 cash at the date of execution of this Agreement by the parties;

(b) Thereafter, \$21,000.00 on or before, but not later than the 9th day of June, 1968, and not later than the 9th day of June of each and every succeeding year thereafter than this Agreement is in force and effect until expiration of the same or until its termination as herein provided.

III. PURPOSE

The premises hereinabove described are leased and demised by the company to the authority expressly for the creation, establishment, erection, construction, development, operation and maintenance of a State Park pursuant to law for the use and benefit of the general public. Those improvements, structures, facilities, roadways, beaches, view points, historical features, and uses normally adjunct to the establishment, operation, administration and maintenance of a State Park shall be and their use is hereby authorized and permitted on the leasehold premises. *Provided, however*, That the development, construction, operation and maintenance of improvements and facilities on the leased premises inclusive of commercial concessions and licenses in connection therewith, shall be in all respects consistent and in accordance with the standards, regulations, objectives, and basic plans proposed for Antelope Island by the National Park Service of the United States of America.

IV. OPTION TO PURCHASE

As a part of this Indenture and provided that the authority shall have duly performed and fulfilled the provisions and covenants of this Agreement, the company agrees and hereby grants to the authority, the right, option and privilege to purchase the leased premises described hereinabove, said option to purchase to be exercised at the expiration of the term of this Agreement on the 8th day of June, 1977. The purchase price shall be \$210,000.00, the leasehold payments made pursuant to the provisions of this Agreement being a full credit thereon. The option shall be exercised by written notice being given by the authority to the company at its principal place of business prior to and within thirty (30) days from the expiration of this Agreement. The company shall thereupon execute and deliver to the authority a good and sufficient warranty deed to the leasehold property free and clear of all encumbrances and liens, at which time title will vest in the authority. Said Deed shall be special as to and not warrant against any claims, liens, encumbrances or clouds on the title to said property which are attributable to or caused by the authority's occupation, possession or operation of the premises during the term of this Agreement.

Said option to purchase shall be exercisable by the authority unless this Agreement is terminated prior to its full expiration as provided hereinafter in article V or XIV in which event, this option shall be void and of no force and effect.

Should the authority, during the term of this Agreement, deem that the ability of the company to perform the conditions of this paragraph is placed in reasonable jeopardy or that the fee simple interest of the company in and to the leasehold premises be disputed or attacked by others, the authority may, upon 60 days written notice, require the company to place with a designated agent in escrow deposit, a warranty deed to the leasehold property, subject to the terms and

conditions of this Agreement. Said written notice shall be served upon the company by registered mail. "Reasonable jeopardy" shall be and is construed and interpreted to mean herein, proceedings in dissolution, merger, receivership and bankruptcy. If the company, during the term of the Agreement, enters upon voluntary or involuntary proceedings of dissolution, merger, receivership or bankruptcy, it shall, at that time and without the requirement of notice by the authority, appoint a designated agent and place therewith in escrow deposit, a warranty deed to the leasehold property subject to the terms and conditions of this Agreement.

V. TERMINATION AND REIMBURSEMENT

Should the United States of America, during the term of this agreement, declare and proceed to establish Antelope Island as a National Monument in the Great Salt Lake and pursuant thereto, undertake the acquisition of Antelope Island (inclusive of the acreage under lease to the authority by the company described herein), by purchase, eminent domain, or other appropriate proceedings, then upon the date of such purchase or the filing of a Declaration of Taking in a federal court of appropriate jurisdiction, this Agreement and leasehold estate shall be thereupon terminated and neither the company nor the authority shall be thereafter obligated or required to perform further the conditions and provisions of this Agreement.

In such event, the interests of each party hereto in the real property the subject of this Agreement shall be as follows, to-wit:

(a) The authority shall not make or have any claim against the company or the United States of America for the value of the land or any interest therein, within the leasehold area acquired by the United States of America for and as a part of the Great Salt Lake National Monument, *Provided*, that the United States of America through the Secretary of Interior or his authorized and appointed representatives, enter into a contract with the authority or the State of Utah wherein the authority or the State may continue to manage, operate, maintain and possess facilities on the leasehold premises for swimming, boating, horseback riding, picnicking, and related recreational facilities and services at such places within the National Monument as the Secretary of Interior and the Governor of the State of Utah shall mutually agree are suitable therefor. Such Agreement will further require the authority or the State to provide said recreational facilities and services pursuant to and in accordance with the general plan of the Secretary of the Interior for the administration and development of the National Monument. (The parties note herein that the Interior Committee Report of the United States Senate regarding the Great Salt Lake National Monument (S. 25 90th Congress) requests the Secretary of Interior to negotiate with the State Utah, in priority and preference to others, for the management, operation and maintenance of recreational facilities and services within the National Monument on Antelope Island.)

(b) Upon the company being paid by the United States of America for the real property within the area encompassed by this leasehold Agreement (such payment to be determined by amicable purchase or by the filing of a Declaration of Taking in a Court of appropriate jurisdiction), the company will pay over and reimburse to the authority all leasehold payments theretofore made by the authority to the company under the terms of this Agreement, less the sum of \$7,000.00 per year, or a representative and proportionate fraction thereof, as determined by the date of termination, for each year that this Agreement has been and is in effect.

(c) If, upon the establishment of the Great Salt Lake National Monument as hereinabove set forth, the Secretary of Interior does not enter into a contract with the authority or the State for the management, operation and maintenance of recreational facilities and services within the National Monument, neither the company nor the authority shall be bound by the provisions of subparagraph (a) and (b) of this Paragraph V, and both of said parties may thereupon proceed to assert their claims and interests in the subject premises that they have or may have, by law or this Agreement.

VI. RELICTION PROPERTY

Appurtenant to and abutting upon the east line of Section 30 and the north line of Section 19, Township 4 North, Range 3 West, on the north line of Section 24 and the west line of Section 24, 25, 35, and 36, Township 4 North, Range 4

West, and on the southwest and south lines of Section 2 on the south line of Section 1, Township 3 North, Range 4 West, Salt Lake Base and Meridian and between said lines and the present high water mark of the Great Salt Lake, there presently exists several hundred acres of unsurveyed real property which has been exposed by the recession and withdrawal of the waters of the Great Lake Salt. Said lands are referred to and defined herein as "reliction properties". The legal and equitable interests of the company in said unsurveyed reliction properties are included within the terms and boundaries of the leasehold conveyance and option to purchase herein as an appurtenance to the surveyed property of the company lying above the meander line in the Sections herein described. By such inclusion, the company makes no waiver of any right, title, claim or interest, legal or equitable in, nor shall the same constitute or be construed to be a waiver or relinquishment of the same to any other reliction properties which are appurtenant to the remaining surveyed lands on Antelope Island owned by the company, and such claim of right, title and ownership of the company in and to the latter reliction properties shall remain unaffected and undisturbed by this Agreement.

VII. FENCING FACILITIES

The authority shall, as the first and initial step in the development and on-site construction of the State Park, establish at its own expense, a six foot high chain link fence with three barb wires spanning above said fence, from a point at the extreme southeast of the leasehold property to a point at the extreme northeast of the leasehold property and along the southeast boundary of said property, thus separating and dividing the State Park on the leasehold property on the north, from the remaining and nonleasehold property of the company on the south and east. Said fence shall extend beyond, the surveyed meander at each end of said fence and to a point where the elevation of the ground is 4193 feet above sea level. The authority shall have the responsibility and duty to repair, replace, relocate and maintain said fencing facility at all times.

VIII. SAND AND GRAVEL MATERIALS

As a part of the consideration of this Agreement, the company hereby grants to the authority the license to remove, enter upon, excavate, extract and remove, borrow sand and gravel materials from the remaining non-leasehold property of the company as more particularly described herein and further grants to the authority a temporary easement of access for the purposes of ingress and egress from said borrow site to the leasehold property. The specific nature and extent of said license and access easement shall be as follows, to-wit:

(a) The location of the area from which sand, gravel and borrow materials may be extracted and removed shall be limited to a three acre tract of ground in either Section 32, T 4 N, R 3 W, or in Section 4, T 3 N, R 3 W, S.L.B. & M., the specific location of which will be subject to selection and agreement of the company and the authority hereinafter.

(b) The authority will construct and develop a graded and adequate roadway from the leasehold land to the borrow area on an alignment consistent with the terrain and as mutually agreed upon by the parties hereafter.

(c) The authority, its agents and contractors, may excavate, extract and remove from the defined borrow area, sand and gravel materials not to exceed the total quantity of 275,000 cubic yards for the express and sole purpose of the construction completion and initial maintenance of the Syracuse Causeway from the mainland to the leasehold property on Antelope Island and the construction of initial, interior park roadways. The time of said excavation, extraction and removal shall be—

(1) From the date of the letting of a contract for or the commencement of construction for completion of said Causeway, whichever is the earlier, the authority shall have 90 days thereafter to construct the improved roadway from the leasehold property to the designated borrow area and to excavate, extract and remove said sand and gravel materials.

(2) Upon the expiration of said 90 day period and for the ensuing 15 months thereafter, the authority, its agents and contractors may excavate, extract and remove such additional borrow materials not to exceed the maximum under the license of 275,000 cubic yards, for initial maintenance, settlement and improvement of the Causeway and interior roadways, upon the authority giving to the company notice of such intent not later than 10 days prior to the date of entry and removal.

(d) The license and access easement herein granted to the authority by the company shall terminate and cease by operation of this Agreement at the expiration of 18 months from the date of the letting of the construction contract or commencement of construction by the authority, its agents or contractors, to complete the construction and development of the Causeway herein mentioned, whichever is the earlier.

(e) At the expiration of the 18 month period defined in the preceding subparagraph or upon removal of 275,000 cubic yards of borrow material, whichever is the earlier, the authority shall, in the process of quitting and leaving the borrow area, repair, make level and contour the affected area mined so far as it is reasonably possible, and further shall seed the area with grasses, so as to prevent infestation of noxious weeds.

IX. ACCESS OF COMPANY TO SYRACUSE CAUSEWAY

As further consideration for this Agreement, the company shall and does hereby reserve and retain for the use and benefit of its remaining non-leasehold land to the south and east of the leasehold property herein, a permanent easement of access, 40 feet in width, from said remaining non-leasehold land on Antelope Island to and from the public system of roads described in this Agreement as the Syracuse Causeway, which connects the State Park on the leasehold property with the mainland to the north and east. Said easement commences on the south-east boundary of the leasehold premises, in the northeast quarter of Section 31, (the specific center line of which shall be subject to the oral agreement of the parties hereinafter) and shall extend therefrom in a direction north and west where it shall intersect and meet the interior system of park way roads. The specific alignment of the easement of access may be reasonably relocated pursuant to further agreement of the parties to accommodate the development of the State Park, but the same shall not be subject to termination. As a part of the construction of the chain link fence required to be established under Paragraph VII of this Agreement, the authority shall install and establish a gate, 24 feet in width, in said fence and at the center line of the reserved easement of access. The company will take measures to establish a secure locking device on said gate and the authority shall have no responsibilities, obligations, or duties to thereafter maintain the gate or said lock.

X. IMPROVEMENTS CONSTRUCTED ON LEASEHOLD PROPERTY

All buildings, structures and improvements otherwise designated as fixtures, which the authority establishes and constructs within and on the leasehold property in the development and maintenance of the State Park, shall be considered and remain the personal property of the authority and it shall have the right to remove the same from the leasehold premises, if the authority so elects, in the event of termination of this Agreement.

In the event of said termination upon the part of the authority hereunder, the authority shall have 100 days from the date of termination to remove said buildings, structures and improvements. Should such election be made, the authority shall, in the process of removal, restore the real property in the removal area to its original state and condition, as is reasonably possible. If the authority elects not to remove said buildings, structures and improvements within the said time period, the same shall thereupon become an appurtenance to the real property and their ownership vested in the company.

XI. OPTION OF FIRST REFUSAL

Should the company, determine, during the term of this Agreement, to develop, subdivide and/or sell its remaining non-leasehold property in Sections 1, Township 3 North, Range 4 West, Sections 30, 31, 32, 33 in Township 4 North, Range 3 West, or in Sections 4, 5, and 6 in Township 3 North, Range 3 West, S.L.B. & M. for the purpose of home site, residential or recreational use, the company, prior to entering upon such dedication, subdivision or sale of any of such property for said purpose, shall make a bona fide offer of sale of said ground, or parts thereof inclusive of reliction lands appurtenant thereto, to the authority, the said offer of sale to be predicated upon an appraisal by a duly qualified and certified member of the American Institute of Real Estate Appraisers or the American Society of Appraisers. Written notice of said offer of sale shall be given by the company to the authority by registered mail at the principal offices of the latter. Unless

the authority accepts said offer of sale within 15 days from the date of receipt of said written notice, said offer shall expire and be deemed rejected.

XII. ASSIGNMENTS PROHIBITED

The authority shall not during the term of this lease, assign, transfer, alienate, pledge or hypothecate its interest in the premises herein without having first obtained the express and written consent of the company. The authority, however, may sublet to tenants, concessioners, licensees and sublessees of its own choosing in the development, operation and maintenance of the leasehold property without obtaining the consent of the company.

XIII. WATER DEVELOPMENT

The authority, during this Agreement, shall be and is authorized and permitted to make and complete well drillings on and within the leasehold premises and to undertake procedures incident to the filing, appropriation and certification of the same in its own name with the office of the Utah State Engineer. Should such well drillings and/or the production of water therefrom, result in a diminution, reduction, or loss of any or all of the spring or other water sources and water rights of the company on its remaining non-leasehold land, the authority shall replace and furnish to the company substitute water comparable to that which was diminished, reduced or lost pursuant to the law of Water Replacement, or if such water cannot be feasibly replaced and substituted, the authority shall pay compensation to the company for the value of the diminished, reduced or lost water at its Highest and Best Use.

XIV. MISCELLANEOUS

(a) The authority will, at all times, take reasonable precaution by the use of signs, patrols, lookouts, guards, or other appropriate device, to warn and advise the general public within the State Park against invasions and trespasses on the remaining non-leasehold land of company.

(b) Both parties shall employ fire prevention soil sterilants along both sides of the chain link fence on the southeast boundary of the leasehold property and within a reasonable distance back therefrom, to ward against possible fires originating within the State Park from spreading to the remaining non-leasehold land of the company and vice-versa.

XV. FORFEITURE

If at any time during the term of this Agreement there be failure on the part of the authority in the payment of rents or in the performance of the covenants, conditions and agreements herein contained, the company shall give written notice by registered mail to the authority at its principal offices setting forth the nature and extent of such failure. If the authority shall not have cured the deficiency and performed the covenants and conditions as to which the notice is directed within 60 days from the date of its receipt, the company may declare the Agreement in Default, and this Agreement shall thereupon be terminated. The company shall thereupon recover and obtain possession of the leasehold premises with the right of removal of personal property, fixtures and improvements to the authority within thirty days thereafter. The company shall thereupon and within 30 days from the date of Default, submit its claims to the authority for damages and injuries sustained by the authority's Default. In the event that the said claims of the company are not approved and accepted by the authority within 60 days of the date of submission to it, the company may bring suit in a court of proper jurisdiction on such claim and for the recovery of damages and injuries occasioned by the Default.

XVI. EFFECT

This Agreement contains the full and complete embodiment of the understanding between the Parties hereto with respect to this Agreement. The covenants, conditions and agreements hereof shall apply to and bind the successors in interest, assignees, purchasers, and receivers of the Parties.

In witness whereof, the Parties hereto have caused these presents to be known and executed on the date and year first above written at Salt Lake City in the County of Salt Lake, State of Utah.

THE ISLAND RANCHING Co.,
WILLIAM H. OLWELL, *President.*

Approved as to form:

ROBERT S. CAMPBELL, Jr.,
Counsel for the Island Ranching Co.

THE GREAT SALT LAKE AUTHORITY OF THE
STATE OF UTAH,
GEORGE BUZIANIS, *Chairman.*

Approved as to form:

PHIL L. HANSEN,
Assistant Attorney General.

STATE OF UTAH,
County of Salt Lake, ss:

On the 9th day of June, 1967, before the undersigned, a notary public in and for the State of Utah, personally appeared William H. Orwell, to me known to be the President of the Island Ranching Company, a party to the within Agreement and who upon being first duly sworn, did acknowledge to me that he, in behalf of said Corporation did execute said Agreement pursuant to the authority vested in him as President by the Board of Directors of said Corporation, and that the Corporation did execute said Agreement.

In witness whereof, I have set my hand and seal the day and year last above written.

BUELL P. THURMOND,
Notary Public, Residing at Salt Lake City, Utah.

My commission expires: June 1, 1971.

STATE OF UTAH
County of Salt Lake, ss:

On the 9th day of June, 1967, before the undersigned, a notary public in and for the State of Utah, personally appeared George Buzianis, to me known to be the then duly appointed, elected and acting Chairman of the Great Salt Lake Authority, a public agency of the State of Utah, a party to the within Agreement, and who upon being first duly sworn, did acknowledge to me that he, in behalf of said public agency, did execute the foregoing Agreement pursuant to the authority vested in him as Chairman by the appointed members of the said Great Salt Lake Authority and that said public agency did execute the within Agreement.

In witness whereof, I have set my hand and seal the day and year last above written.

BUELL P. THURMOND,
Notary Public, Residing at Salt Lake City.

My commission expires: June 1, 1971.

Senator BENNETT. Mr. Chairman, my concern is the fact that if this is only in the report, the State of Utah is at the mercy of the Secretary of the Interior, who may choose to give the State the right to stay there or who, in his authority, may move them off, and there is going to be another Secretary of the Interior after a while and still another one after him. It seems to me the State's position is very uncertain.

Senator BIBLE. If this were spelled out in the statutes it would not meet your objections to the bill?

Senator BENNETT. That is right. I want the State to see if an effective bathing facility can be developed to attract tourists. They are on the way to doing that. I would hate to see them moved off or the whole program changed by this action.

I would hope maybe as part of this program that the Park Service, if it were proper, might make a statement as to whether they intend to acquire the whole island or just part of it.

Senator BIBLE. Mr. Hartzog is on notice and I am certainly going to ask him that question. I just want to build a full, complete, honest record here so we see what all of this problem is about in detail. I will ask him that.

Senator BENNETT. I know they offered an option to the owner, and that will come into the discussion in a few minutes, for the entire island with no thought of taking the 2,000 acres.

Senator MOSS. I don't think there has ever been any other contemplation than that the Park Service would take the entire island. That is what the bill provides.

Senator BENNETT. That is not what the people of Utah think. They think it is going to be developed jointly.

Senator BIBLE. Let's proceed with the testimony.

We will hear from everybody and then we will hear from the Director of the Park Service. I do not know what the various views are but I am going to hear both Utah Senators and I am going to hear the Director of the Park Service and then we will judge it from the documents and statements which are made.

Senator BENNETT. I will close with these remarks from Senator Moss' speech on March 28: "The Federal Government must enter into a partnership with the State of Utah for mutual benefit"—maybe he means that agreement is to move it off the island.

There are two or three other reasons why I think action at this time would be untimely.

First, the State of Utah has a case before the Supreme Court to test the validity of the application of the theory of reliction as applied by the Federal Government to land under State-owned waters.

I think until that is settled the question of disposing of the relative lands attached to this island should be held in abeyance.

Third, the economic development of the mineral resources of the lake is just about to begin.

One of the proposals for the development of the lake is using the island as a base to build dikes which will create a fresh water lake east of the island because that is the area in which the fresh water comes and over time the salt water would be diluted and we would have a fresh water lake.

If that is to be made to work, the level of the fresh water lake must be raised higher than the level of the remainder of the lake so that the water will always flow from fresh to salt and not from salt back to fresh.

To change it, I mentioned that to a representative of the Park Service and he said, "We have to look at that. That changes the national condition of the lake." I am not sure that we could allow such a dike to be built if this is a national monument. That is an example of the thing that bothers me.

Fourth, a unique plan to use detailings of the Kennecott Copper Co. has been developed and these tailings are now being tested. These tailings could be used to build that dike, to build roads, to do a lot of things including building a road around the edge of the island rather than across its face as the Park Service intends to do. But this is still in the future.

If Senator Moss' bill in 1960 had been adopted, one of Utah's greatest economic potentials would have been forever denied because, since then, they have discovered how to take the minerals out of the

water, the rare minerals, and somebody has estimated that they could have a value of \$30 billion. That is too big for me.

Conceivably, the monument could be there and this operation could still go on. But if this changed the water level, particularly, the Park people might become very much concerned about it, and I am concerned at an attitude which I think could be applied on Great Salt Lake as it is now being applied against Kennecott Copper that is trying to open an ore body it owns in the State of Washington.

When the Secretary of Agriculture went to the Sierra Club in San Francisco and says these people have every right to develop this ore body but they have to be stopped and you have to stop them—in other words, the pressure of public opinion—and I have had some of the people in Utah who are very much for making this national monument say “We can’t allow factory smokestacks to grow up inside of this beautiful island,” this is just an attitude but I think it is not too smart to turn this island into a national monument before these industries get started and before their installations can be protected from the kind of attitude that I am describing.

I mentioned the pollution. That is still a problem. I can supply a lot of information on that. The only point that I would make is that there has not been a recent survey of the pollution. There is a request from the University of Utah for \$250,000 to finance a necessary study and I think we should wait until that has been made and determined.

Senator Moss. Would the Senator yield?

Did not the Senator point out that the State of Utah has already leased the north end of the island and intends to put a bathing beach on the north end of the island and if any pollution does flow into the lake it comes around the north end of the island because that is the only inlet for water in there?

Consequently, if there is any pollution problem, we are already involved in it and it certainly is no reason to hold up the rest of this bill if there is a pollution problem, which I do not think there is.

Senator BENNETT. My discussion of the pollution problem with the people at the University of Utah, who have studied this, is that this pollution flows down the channel of the Jordan River, and rather than going around the island goes past it, but they are not completely sure and they would like to hold up development until they can get funds enough to get in there and find out. This is serious for the State and it is serious for the Federal Government.

Senator Moss. Is not the Senator aware that the only place where water goes into Antelope Island flows in around the north end of the Lake.

Senator BENNETT. The university people think it flows past the north end and not around. Their preliminary studies indicate that the pollution on that north beach is within such safe limits and the main body of it goes on past but they are not absolutely sure. I think this should be checked.

Senator BIBLE. In any event, if you have a pollution problem, the State of Utah has it, the Federal Government has it. It seems to me there is a pollution problem but the State must have been reasonably satisfied that it was not serious enough to prevent the expenditures of these hundreds of thousands of dollars to try to develop it as a State beach.

Senator BENNETT. Now, Mr. Chairman, I am ready to go on to discuss this financial situation.

I should like to present for the record a chronology which I have been able to develop showing how the land value has gone steadily up in what I think is a very interesting pattern.

In 1963, some time between January and March when the Utah Legislature was in session, that legislature created the Great Salt Lake Authority giving it the right of eminent domain. In 1964, the Great Salt Lake Authority secured three appraisals.

I have asked for copies of those appraisals. I have not been able to get them. I understand the Park Service has not been able to get them, either, but the chairman of the authority in a wire to me said that they ranged from \$22 to \$27 an acre.

Senator JACKSON. What year was that?

Senator BENNETT. 1964.

Senator MOSS. Appraisals by whom?

Senator BENNETT. Haven Barlow, Marcellus Palmer, and Mark Crystal.

For purpose of comparing the appraisals I shall use later round figures for the size of the island for appraisals. We discovered when we were on it nobody knew the size of the island.

The owner says under 30,000 acres and the assessor is assessing for something under 26,000 so let's use 26,000 acres as the size of the island.

The Davis County assessor appraised the island for the purpose of assessment at \$21.50 per acre. That is not his assessment. His assessment is about \$3.50 an acre.

Senator JACKSON. He appraised it at \$21.50 an acre for what purpose, as the actual value?

Senator BENNETT. The actual market value and then he assessed it for only one-eighth of that value.

Senator JACKSON. Then \$3.50—

Senator BENNETT. Is the basis on which the assessment—

Senator JACKSON. Of \$21.50?

Senator BENNETT. The market value is \$21.50 and \$3.50 is the assessed value.

Senator JACKSON. \$3-plus and \$21.50 is the fair market value?

Senator BENNETT. His assessed value against which he applied the tax rate was \$68,000.

Senator JACKSON. Based on 26,000 acres?

Senator BENNETT. Yes.

Senator BIBLE. Just following the chairman's line of questioning, is that the standard procedure in arriving at tax values in the State of Utah?

Senator BENNETT. No; he says this is the worst kind of grazing land and he appraised it. His ordinary appraisal is \$15 for grazing land but this is so meager he appraised it at \$12.

Senator BIBLE. Do you mean if they arrived at \$100 as being the actual fair market value for grazing land, they only appraised that at \$15 an acre? Is that the standard procedure in the State?

Senator BENNETT. It must be the standard procedure in Davis County. I have not checked any other county.

Senator BIBLE. I am surprised they discounted the fair market value that much as a necessity.

Senator BENNETT. I am sure they don't do it on developed property.

Senator BIBLE. I understand.

We are talking about grazing land. You are saying if the real market value is \$100 for tax purposes, they only appraise it at \$15 an acre, which is 15 percent?

Senator MOSS. As a matter of fact, isn't it true that they do not assess it at market value at all? They say this is grazing land and therefore this goes at a certain rate, this is subdividable land and goes at another rate, and so on?

Senator BENNETT. My conference with the assessor of Davis County brought forth the fact that they have taken a figure representing 12 percent of what they can consider to be the fair market value of the land and they used that as the basis for the appraisal.

Senator BIBLE. I understand the statement.

Senator MOSS. I would question that.

I don't think that that is the basis for appraisal at all in the State of Utah under the law. It is not fair market value. It is land usage.

Senator BENNETT. His assessment was \$68,000.

Senator BIBLE. In any event, the testimony boils down to the fact that the assessor of this county set the fair market value of this land in 1966 or 1967—

Senator BENNETT. 1967.

Senator BIBLE. He set it at \$21.50 an acre. For whatever purposes he used to arrive at a final tax figure.

Senator BENNETT. That produces a figure in round numbers of \$558,000. Taking the figures given me by Mr. Buzianis and applying them to 26,000 acres, the man who appraised it at \$25 produced a value of \$650,000 and the man who appraised it at \$27 produced a value of \$720,000.

With these appraisals in hand the Great Salt Lake Authority instituting condemnation proceedings to acquire 4,000 acres at the north end of the island, which contains the beach. They won this in the district court and they won it in the Supreme Court by a 3-to-2 decision over the vigorous opposition of the Island Ranching Co. which obviously did not want to sell 4,000 acres for \$25 an acre.

Then one of the Supreme Court Justices died, they got a rehearing and on their rehearing the Supreme Court reversed itself, the new Justice joined the two, there was convacancy so the Court ruled 3 to 1 that the language giving the Great Salt Lake Authority the right of eminent domain was faulty, so they failed.

Then, after the election in 1964, the control of the State house changed and the Democratic Governor appointed a Democratic majority to the Great Salt Lake Authority which had been previously a Republican majority.

It is obvious to me the Island Ranching Co. decided that the best way to protect themselves against new State action that might take over part of their land for anything like \$25 an acre was to join forces with Senator Moss and the Governor and work to help get the island made a national monument.

So, in January 1965 Senator Moss introduced in the 89th Congress a new version of S. 25, which would take over the entire island and this contained a figure of \$1.7 million for land acquisition.

Senator BIBLE. I think we had better recess at this point because that is a vote on the pending legislation.

I don't know whether we have an immediate vote after that but suppose we stand in recess until 4 o'clock.

(Recess taken at 3:30 p.m.)

Senator BIBLE. The committee will come to order.

You may proceed, Senator Bennett.

Senator BENNETT. Mr. Chairman, I was going through the chronology of the various appraisals of the land. Since the chairman has ruled that this might as well be discussed in open session, I hope that I will not quote a figure which should not be discussed in open session.

Senator Moss introduced a bill of January 6, 1965, containing a figure of \$1.7 million for land acquisition. On January 12, 1967, the bill was reintroduced and the figure for land acquisition was raised to \$2,245,000.

In a letter to me signed by Mr. Bill as Acting Director of the National Park Service on April 28, 1967, he explained that the original estimate of \$1.7 million contained an amount of \$1.5 million available for the purchase of the land, with \$200,000 to cover possible legal and other costs incurred in the actual acquisition.

Considering the 26,000 acres as the size of the island, this divides into a price of approximately \$57-plus per acre. I understand it is based on an appraisal made by Mr. Wesley H. Newton in the spring of 1966.

I have not seen Mr. Newton's appraisal. I don't know what his actual figure was but I assume it was in this general area.

In explaining the new figure of \$2,245,000, the Park Service said they had raised the amount that might be spent actually to pay for the land from \$1.5 million to \$1.6 million, a \$100,000 increase.

Their estimate of land acquisition costs, therefore, was \$645,000, which figure was produced according to a revised formula that they used to estimate the possible costs of acquiring land in addition to the amount to be paid for the owners.

I have since understood that Senator Moss has now amended his bill to reduce the total cost to cover the entire cost of acquiring the land to something like the original figure to \$1,600,000.

This takes out of the discussion the higher figure. Of course, while it was in the discussion, a representative of the Island Ranching Co. indicated to me that in their negotiations with the Park Service they were asking a figure considerably higher than \$2 million for the land. Apparently, if they have abandoned it by now, I am not aware of that.

Going back to the Utah side of the picture, when the Utah Legislature met in 1967 and passed the new law making clear the right of the Great Salt Lake Authority to exercise the power of eminent domain, this law was vigorously opposed by the attorney for the Island Ranching Co., who admitted he lobbied against it, worked very hard, but he did not succeed.

Then the Great Salt Lake Authority in April 1967 secured a second appraisal from one of the three original appraisers—Mr. Marcellus Palmer. I have a copy of his document.

The important thing is that he, who 3 years earlier had appraised the value of the land at somewhere between \$22 and \$27 an acre, and I don't know which of the three appraisals was his, had now valued it at \$50 an acre, and this is for the purchase of 2,000 acres, a figure of \$200,000 for the 2,000 acres plus the figure of \$72,657.80 for severance damages to pay to the Island Ranching Co. for whatever damage

they would suffer if, in the sale of the 2,000 acres, they had reduced the effectiveness of their ranching system to carry the same number of cattle that they had carried before. That is the basis of his assessment.

It is interesting to me, in passing, that while we were on the island with the president of this company, I asked him why he cut the stake back from 4,000 to 2,000 acres and his answer was "Well, we can give up the 2,000 acres without suffering any problem with our ranch operations but the 4,000 acres would give us a problem."

So they are now being given \$72,657 to compensate them for a loss that they indicated would present no problem.

On the basis of this appraisal of \$172,657.80, the Island Ranching Co. entered into a leasing arrangement with the State, which would also include 250,000 yards of gravel, and for the right to occupy the 2,000 acres for 10 years plus this gravel, the State will pay the Island Ranching Co. \$210,000.

Senator BIBLE. What does that break down to per acre?

Senator BENNETT. 2,000 acres; that is \$105 an acre.

Senator BIBLE. At the end of 10 years, do they get it in fee simple?

Senator BENNETT. I have not seen the contract but I think it provides that option and I think there are some conditions there which come into being if the Federal Government takes over.

Senator MOSS. I think that is correct. The State would own the 2,000 acres for having paid \$210,000 and then there is a provision in case the Federal Government acquires the whole island and the State is there then simply at sufferance of the Federal Government, it will refund part of the purchase price and merely pay \$7,000 a year rental.

Senator BIBLE. A value of \$100 per acre is established in the leasing arrangement with the State of Utah and the company. Is that a correct statement?

Senator BENNETT. That is correct.

I just said to Senator Moss in the corridor that I have great doubt that this was bargained at arm's length because you have gone from \$25 an acre to \$110 an acre, and you have the fact that an appraiser raised his own appraisal from \$25 to \$50 in 3 years with no change in the quality or situation in the land.

Senator BIBLE. Is the land that the State of Utah is acquiring by lease, with this involved arrangement that they have, comparable land to the remaining part of the Antelope Island?

Senator BENNETT. It is grazing land and on the island as a whole there are some areas where there would be very little grazing. But it has as good grazing land as I have seen on the island.

Senator MOSS. This is a most remarkable statement. The Senator questions whether this was done at "arm's length." Now, on what does he base a conclusion of that sort?

What does he have to suggest that this is not an arm's-length arrangement between the State of Utah and the Island Ranching Co.?

Senator BENNETT. The State of Utah has the power of condemnation which has now been corrected and cured and they choose not to use it.

Senator MOSS. Do you think that reduces it then from an arm's length arrangement affecting a lease?

Senator BENNETT. If the Senator is greatly puzzled and can find no other explanation for this set of sequence of events, in 1964, three

appraisals in the neighborhood of \$25 an acre, averaging about \$25 an acre, in 1967 one of those three appraisers doubles his appraisal and adds \$72,000 for severance damage and then the State of Utah makes the lease after having said that they would not take it to condemnation.

They were in a position where they tried to take it in condemnation before 1964 and the Supreme Court blocked them and then they corrected it.

The Senator is expressing his own opinion, which is that there are many indications here that, considering the price went from \$25 to \$105, that maybe this is not an arm's-length transaction.

Senator MOSS. Just to make the record complete, I happen to know that this island has been valued at well over \$2 million by another department of the Federal Government in a completely separate contention. I do not think this is something less than arm's-length where somebody else has another valuation on it.

Senator BIBLE. I am willing to assume they bargained in good faith and bargained at arm's-length.

The thing I am interested in, would the ceiling of \$1.6 million that Senator Moss now suggests meet your objection?

Senator BENNETT. This question was asked of me by the attorney for the Island Ranching Co.

Senator BIBLE. I have not talked to the attorney for the Island Ranching Co.

Senator BENNETT. My answer to him was "No," because I feel that the main problem here is as to whether the bathing, which I think is the only effective tourist interest in the island, should be developed by the State and 2,000 acres is apparently ample for that, or whether we should embark on a program with Federal funds which takes over the entire island. I think the rest of it is of doubtful value as a national monument. That is a personal opinion.

Senator BIBLE. Even if we reduced it to the earlier appraised figure of \$27 an acre, that would still not meet your objection because whether we get it for \$400,000, \$300,000, or \$1,600,000, as I understand your basic objection, in addition to questioning the ups and downs of these valuation figures, your objection is to developing anything beyond 2,000 acres which is now in the hands of the Great Salt Lake Authority to be operated as a State park. That is the thrust of your objections?

You can put it in your own words.

Senator BENNETT. My feeling is that the State should develop this bathing facility and that it has already started to develop it. Whether it should be 2,000 acres or 4,000, I am not competent to tell.

Apparently, the State has decided that 2,000 acres is enough. I think they should be given the chance to develop that program because, I think, based on the records and the history and the traditions of the Park Service, if this is made a national monument the State will be forced off of the island and this will be developed as all other national monuments have been and under their rules with private individuals as concessionaires, if there are any such concessionaires, as there would have to be if the Federal Government developed a bathing program. So, I think that is the essential thing.

However, I am disturbed and confused by this constant escalation of the price which started at \$25 and ended up with a purchase of a limited area for the equivalent of \$105.

Senator BIBLE. \$1,600,000 was suggested and that multiplies out to what figure?

Senator BENNETT. It is about \$60 an acre.

Of course, I am assuming, Mr. Chairman, out of this \$1,600,000 which Senator Moss has used in his amendment, it must still be the figure to cover the cost of acquisition, the legal fees, and other things so that the amount the Department would expect to pay to the owner of the island would be somewhat less.

Senator BIBLE. It would be somewhere in the \$55 to \$60 range per acre?

Senator BENNETT. Yes.

Senator BIBLE. I have no other questions of Senator Bennett.

The Senator from Washington?

Senator JACKSON. Maybe it has been gone into, and I do not want to be repetitive, that the Davis County assessor placed \$21.50 current market value on the property.

Of course, assessed valuation is always a lot less than the market valuation. I was surprised that it would be at \$3-plus in this kind of a situation. That seems to be an unusual formula.

Senator BENNETT. Let me give you the formula and you calculate the dollars themselves.

The assessed valuation of the land of the island is \$66,980.

Senator JACKSON. That is the assessed valuation?

Senator BENNETT. That is the assessed valuation to which the tax rate was applied.

The tax is something less than \$6,000 a year.

When we asked the Davis County assessor how he arrived at that, he said, "I consider that that land should be assessed at 12 percent of its fair market value."

So, if you compute the fair market value, considering the \$66,980 is 12 percent, you come to this other figure.

If you divide that by the acreage, you come to a figure of \$21.50 an acre.

Senator JACKSON. Does he start from the premise of the fair market value? In other words, does the assessor go out and make a current market evaluation and then determine, based on the assessment formula, what the assessed valuation is going to be?

Senator BENNETT. When we talked to him this is what he said to us. He said—

I assess grazing land at 12 percent of its fair market value. In this case my normal assessment is 15 percent of fair market value but this land is so poor I have cut it to 12. I assess improvements on ranches at 18 percent of fair market value.

Senator JACKSON. The \$1,600,000 figure would come to around \$61 an acre?

Senator BENNETT. Somewhere around \$60.

Senator JACKSON. That is not quite but almost three times what the assessor is evaluating at the present time as a basis of the current market value.

Senator BENNETT. It is three times what the original three assessments were.

Senator JACKSON. Is this kind of a discrepancy normal in connection with assessed valuations?

I have always found assessed valuation by the assessor a very misleading yardstick to find out value, because here we have in the Acting Park Director's report the findings by Mr. Newton, who is supposed to be a pretty good appraiser, apparently with an entirely different figure.

That is where the \$1,600,000 figure ends up.

Senator BENNETT. You have witnesses from the Park Service. This has puzzled me all along. Let me say again the assessor's appraisal was in the ball park with the original appraisals made by three supposedly independent appraisers.

Senator Moss. If the Senator will yield, the county assessors in the State of Utah are elected on the partisan ticket every 4 years. They have no particular professional qualifications at all. They are elected and they have an office staff.

In recent years the State of Utah has tried to get some degree of uniformity by having the Tax Commission give them some degree of supervision, but it still varies from 50 percent or more in the amount of assessments you get in one county as against another county and rural as against urban.

I don't think you can make any kind of sense out of valuing property so far as market value is concerned from what it is assessed for tax purposes.

I own a little real property in Utah and I tell you I wouldn't sell my property for 10 times what it is assessed at for tax purposes. I think I could ask the same question of the Senator who owns a great deal of real property in the State of Utah. If somebody offered to buy his—

Senator BENNETT. I hope you will correct that. The Senator owns no real property. Some corporations with which he is connected own some property. I have sold my residence, and I don't own a square foot.

Senator Moss. I would venture to wager your corporation would not sell the Bennett Paint Co. for what it is assessed at.

Senator BENNETT. I am just making the point that the assessor, using the formula that he says he uses, brings his estimate of the fair market value within the ball park of the three original assessors.

Now I will admit it is lower, lower as between \$21.50 and \$22 from the lowest one. Maybe I should never have brought this up. I did it simply to add four to the original three assessments and show that there were four in this general ball park, but nobody challenges the assessment of the three original assessors on the ground that they are incompetent or that they are by elected officials.

Senator Moss. Of course, this committee never actually participates in setting what the value is. We place guidelines on the National Park Service and say, When you acquire property you acquire it at the fair market value and if you can't negotiate what your assessors will tell you is fair market value, you must go to court and get a jury to try to set it then.

All we deal with is putting a ceiling. We say in order not to let this thing get out of hand we will put a ceiling on it. I think it is rather futile here to say whether this is worth \$30 an acre or \$50 or \$60 an acre. The Park Service is the one that is finally going to have to negotiate this price if we are going to allow this park.

Senator BIBLE. The Senator from California?

Senator KUCHEL. I would like to listen to the testimony of Mr. Hartzog first.

Senator BIBLE. The Senator from Wyoming.

Senator HANSEN. I think the testimony which has been developed this afternoon has some uncertainty in it, at least on my part.

I understood one of the prime objectives of national park or national monument designation is to set aside those areas which are rather singular or unique in character.

Do I understand the Senator from Utah to say that, in his judgment, this island is lacking in the features which would qualify it for national park or national monument status?

Senator BENNETT. Yes, that is my basic position, with the additional position that this has one unique characteristic—being in the lake and having a beach, in fact, it has three, but this is the most accessible and apparently the best one—the one unique thing you can get out of this island under the present circumstances is the opportunity to bathe in the salt water.

We used to have it off the shore when the lake was much deeper or higher than it is now, but that has all been gone for 20 years or so. The people in Utah are interested in finding another place where this privilege can be enjoyed.

My feeling is that outside of that, the island is just a great big more or less barren pasture.

Senator HANSEN. One other point which has been made and has been discussed at some little length this afternoon is the relative advisability of the development of a recreational area. It was pointed out that the State of Utah is more or less interested in this area.

If I understood you correctly, Senator Bennett, you have indicated the State has taken some steps to make available the beach area on the north end of the island. Question was raised if the State could do it, why not the Federal Government.

I want to make this point. Here again, if I understand the concept of national parks and national monuments correctly, it is not necessarily to expand or to make available the recreational aspects of an area excepting insofar as the use and the enjoyment of something unique in nature would contribute to man's recreation; that simply to provide a bathing area would not, in itself, provide this, and I recognize the uniqueness of the Great Salt Lake. The point I am trying to make is that this is not precisely the role of the National Park Service; in your judgment, is it?

Senator BENNETT. I did not think so. As I expressed by my little parody on Pope's poem, the National Park Service had to stretch things pretty far to bring this particular area inside their own concept of what a national monument should be. I was told, in discussing the development of bathing, as I testified earlier, that they have a hard time with this because this was outside of their normal reasoning for having a national monument, and they finally decided they could include it because a chance to bathe in the lake was part of the experience or understanding or appreciating the lake.

Utah is a public land State, with 70 percent of our land owned by the Federal Government. Salt Lake City and these other cities around the island are up against the face of the Wasatch Mountains and the Wasatch Mountains are covered with the Wasatch National Forest and there is much open land and many opportunities for hikes and picnics and that sort of thing.

Senator HANSEN. Then to refer to what I understood was one of the objectives of the bill, let me ask this: In your judgment, is this island unique in its ability to serve as an interpretative location whereby people can better understand the role and the development of these ice age lakes, of which I understand this Salt Lake is a remnant? Is there something unique about the island that lends itself in a manner that no other area or reach of this country would, in better understanding what has happened?

Senator BENNETT. I will let the National Park Service testify as to that, but it is my impression from my discussions with its representatives that there are a number of places from which such observations could be made but they preferred this.

Interestingly enough, there is a point on the north end of the lake called Promontory Point, which is a historical site where the first spike for the railroad was driven. With respect to Promontory, the same observation can be made of the lake.

The objection was given to me by the Park Service man with whom I talked informally:

When you get there, you see a railroad. You see the railroad track that crosses the north end of the lake, so if you want to get a place where you can't see any of man's developments, you will have a pretty hard time.

Of course, it is not an island anymore. It is a peninsula. From Salt Lake City and from Ogden, which are the two biggest cities in the area, this island, the owner says, is equidistant. You can get to the island by traveling the same number of miles from each point, so it has that advantage.

Senator HANSEN. I have no further questions, Mr. Chairman.

Senator BIBLE. The Senator from Utah.

Senator MOSS. I would like to hear from the representatives of the Park Service.

Senator BENNETT. I would like to read a statement which was made in 1960 by a gentleman who changed his mind and he will tell you why. He was assistant editor of the *Wild Lands News*. He said—

In our determination to enlarge the scope of the system, we do not wish to reduce the dignity of the system as a whole. We must be ever watchful that substandard areas, regardless of local appeal, not be brought in.

I am sure that all of those considering the establishment of the Great Salt Lake National Park will agree that this national interest must be paramount.

Then he goes on to say—

It has also been suggested that a fresh water lake be developed by diking. This would probably be appropriate as part of a local plan for developing the area as a county and state park, but has no place in a national park.

Senator BIBLE. Who said that?

Senator BENNETT. Mr. Carithers, who was with me in Salt Lake. I don't know what his title is, but he is in an area of the Park Service now.

Senator BIBLE. I think I know of him. He is not listed as a witness.

Senator BENNETT. Thank you, Mr. Chairman. I appreciate the opportunity of airing these things which are disturbing me, and I will listen with great interest to the comments of the Park Service.

Senator MOSS. May I read one paragraph into the record at this point?

Senator BIBLE. Yes.

Senator Moss. This is a statement Senator Bennett filed before the committee on the 13th of March. The paragraph says—

The Great Salt Lake, Utah's unique inland sea, is perhaps one of the most outstanding physiographic features of the western United States. It is great in the sense that it is the largest lake in the United States west of the Mississippi River and the largest salt lake in North America. It is only a remnant of its predecessor lake. At its highest level Lake Bonneville covered an area 346 miles long, 45 miles wide, reached a depth of 1050 feet. Today we have the Great Salt Lake which is about 70 miles long, 50 miles wide, 34 feet deep and covering an area of about 1500 square miles. Certainly one of its greatest assets is its attraction as a potential tourist center.

Senator BENNETT. That has not changed. We are talking about the lake, not the island.

Senator BIBLE. I realize that is one of the problems we have as a committee. I think the Great Salt Lake is a wonderful place and exactly what we do with it I am not certain, but I am under the impression that is why we are here.

Thank you very, very much, Senator Bennett. I appreciate all of these statements.

Our next witness will be the Director of the Park Service, Mr. George B. Hartzog.

Tell us briefly about your visits there and why you have concluded that this should be a national monument and develop the value of it as a national monument.

STATEMENT OF GEORGE B. HARTZOG, DIRECTOR, NATIONAL PARK SERVICE

Mr. HARTZOG. Mr. Chairman, with respect to the first question that the committee asked us to be prepared to discuss, the valuation of land, I respectfully refer your attention to our letter to the chairman of the full committee dated June 9 which discusses valuation.

Senator BIBLE. That has been made a part of the record.

(See p. 28.)

Mr. HARTZOG. There are three figures which we have furnished the committee according to our records, initially a figure of \$407,500 covering 17,000 acres of land and 4,500 acres of water. This figure represented the assessed valuation that the distinguished senior Senator was addressing himself to a while ago.

This figure, I might say for the information of the committee, we have found to be extremely unreliable in our land acquisition program as this committee well knows from the large number of areas that have been authorized which used as a basis for estimating costs assessors' records, and with almost every one of them we have exhausted the appropriation ceiling.

I suppose the point raised is a singular example of trying to rely on assessed valuations in trying to set a basis for valuations.

Had we appraised this property on the basis of our reconstruction of the value in the normal context of fair market value; namely, the price a willing buyer and a willing seller will pay with no compulsion on the part of either—

Senator KUCHEL. I didn't want to interrupt you, but may I ask this one question: Do I understand you to imply to the committee that the appraisal figures which were used by your agency as a basis

to establish value at Point Reyes was the county tax assessor's figures?

Mr. HARTZOG. They were based on assessor's use of records adjusted by appraisals.

Senator KUCHEL. I don't understand.

Mr. HARTZOG. These were not onsite market value appraisals. This was the procedure the National Park Service used up until about a few years ago when we started getting into a great deal of difficulty over valuation. We did not take the assessor's figures per se. We took the assessor's tax records and had the appraisers adjust them on the basis of what they thought the land would be worth.

Senator KUCHEL. Who would the appraiser be in a case like Point Reyes?

Senator BIBLE. This is not a Point Reyes hearing.

Mr. HARTZOG. I do not have the names, but we would be glad to supply that information. In many cases we did it by ourselves. We have had difficulty with these areas where ceilings have been set on them, and we have been unable to acquire the land.

Senator KUCHEL. When you use the phrase "do it ourselves," were those staff people qualified in that field?

Mr. HARTZOG. Yes, sir; they were, but the problem was the staff of the National Park Service when this deluge of legislation started in 1960 was inadequate to make field examinations of each one of these areas.

Senator KUCHEL. With respect to Point Reyes, did you have a staff appraisal?

Mr. HARTZOG. Excuse me one moment. I have the Point Reyes project manager here.

I am advised, and I would like to have the privilege of correcting the record if I am in error, that the figure was the assessor's records adjusted by our staff appraisers as part of the planning process.

Senator KUCHEL. I shall not interrupt any more, but at an appropriate moment, I want to inquire with some care into how the adjustments were made in that instance.

Mr. HARTZOG. I have been told by the chairman of this subcommittee that he expects to have a hearing on this subject and we are getting prepared for that hearing.

Senator BIBLE. I can assure my good friend from California we have another little project in which he is very much interested in in California which has something to do with trees in California and we also have the Point Reyes problem, but I do intend, frankly, having a hearing on that problem.

It may very well be as the Director indicates, and I think you were short of staff at that time and possibly you went to the county assessor and secured their figures, but be that as it may, whatever method was used, whether you had skilled appraisers within your own national Park Service or not, the figure that we came up with originally of \$14 million, which has now accelerated to \$57 million, somewhere along the way something should have been done that was not done.

Mr. HARTZOG. At Redwood National Park we have inside and outside fair market values, so the two are not analogous.

Senator BIBLE. I was just suggesting with each of them we have had a few problems.

Mr. HARTZOG. On the basis of a reconstruction of the values made by our appraisers, of the fair market value of that much land at that time, it would have had a value of \$1.1 million.

The second figure we gave you was \$1.7 million. That figure comprised approximately 26,125 acres which is the rough figure that we used. Our records now indicate there are 25,971.7 acres on the island which we have been handling roughly at 26,000. This is a value of \$1,317,000, to which has been added the \$142,000 improvement, for a total valuation of \$1,400,000 for the properties of the Island Ranching Co.

In addition, there are other private holdings on the island which bring that figure to \$1,459,000 for the total private ownerships on the island to which we then added the difference between \$1,459,000 and \$1.7 million to account for the figure we gave you previously, last Congress, as the overall costs including contingencies and administrative costs.

At this Congress we gave you a figure of \$2,245,000 as the cost for this land, including contingencies and administrative costs.

In connection with that, the property remains the same; \$1,459,000 for the ownership. We have included in that figure \$218,000 for contingencies because our experience during the last 3 years of land acquisition and which we have been following up pretty closely on where these things are going indicate to us that in condemnation awards and in negotiations this is the formal amount of increment on those appraisals considering the lag in the appropriation process.

To this we add 18 percent for overhead, or \$368,000. That overhead figure involved 1 percent for facilitating services which is a contribution to the overall service program of keeping the accounting records on the land-acquisition money, 5 percent for the land-acquisition personnel engaged in the purchase of land, 6 percent to cover outside negotiators and appraisers when we actually get down to purchase tract by tract, and 7 percent to cover extraordinary and unanticipated administrative acquisition expenses resulting in surveys and these kinds of things that relate to condemnation that would not normally be handled in this 6 percent and 5 percent.

With respect to this, I would say to the committee that the last figure I gave you should be 6 percent. I gave you 1, 5, 6, and 6, instead of 1, 5, 6, and 7.

The last two figures, the 12 percent, in other words, for contract and extraordinary and unanticipated administrative expenses are items that are not spent unless it is necessary to spend them in connection with the acquisition, so if they are not spent, we don't ask for the appropriation. If they are not needed, we don't ask for the appropriation when we go through the appropriations process.

But the fact of the matter is, in many cases such as in this case, for example, we don't know with certainty prior to the actual abstract examination which we don't undertake until the area has been authorized and we start the purchase program what these unanticipated expenses may amount to.

So our experience indicates that these are the figures that should be included, and this is the breakdown on what this 15 and 18 percent is.

In addition to that, in this particular case, by our own chief staff appraiser, the total of those two figures come up to \$2,045,000. Our chief staff appraiser added \$200,000 to the appraisal and this he added

on the basis of information that he had that the lands originally had been patented to Union Pacific and that Union Pacific had sold the surface to the Island Ranching Co. and it was unclear and unknown at the time whether the mineral estate in the Union Pacific had been extinguished. I have since been advised through Senator Moss' office just today when we started following up on this, that, in fact, the mineral estate has been extinguished and is now vested in Island Ranching Co., so that on this basis the proper figure would be \$2,045,000 instead of \$2,245,000 to cover the items I have mentioned.

I will be pleased to try to answer any questions the committee may have about this question of valuation.

Senator BIBLE. One question I would ask, and then I will let others ask questions and reserve my right to come back with other questions. When did you evolve this very complicated formula which you just described to put in the land acquisitions? I have never heard of all of these allowances for attorney's fees, more appraisers, and mistakes and percentages of errors. Who designed that one?

Mr. HARTZOG. It has been done within the last year and it has been done under the prodding of trying to get firm cost bases for these authorizations so that we have an adequate ceiling against which to get appropriations.

I have asked our people to examine this and they tell me that they find that contingencies by some Federal agencies are in the range of as high as 20 to 25 percent at compared to our 15 percent, and that administrative costs in some other agencies average up to between 12 and 17.5 percent, so our figure or administrative and acquisition costs are in the ball park of this figure.

All of these estimates include these elements for contingency and for overhead because the land-acquisition personnel are paid for out of the land-acquisition money that is appropriated. In other words, they are a direct charge to the land-acquisition cost.

Senator BIBLE. What would cause the terrific increase in the appraised land values from 1954 to 1966?

Mr. HARTZOG. There was no change in our values. The changes involved the State of Utah.

Senator BIBLE. That is right. The three appraisers came up with values of from \$23 to \$27 an acre.

Mr. HARTZOG. We have not seen those appraisals. I would not be in any position to explain them or defend them or say whether they are good, bad, or indifferent. I just don't know.

Senator BIBLE. In a period of 2 years, you both cannot be right. There certainly is not that much activity around Antelope Island to take it up from \$27 to the present suggested figure of \$60 an acre.

Mr. HARTZOG. I would suggest for your consideration, sir, that the appraisal that we have submitted to the committee, which was the first appraisal that was made for the National Park Service by a qualified appraiser is very close to the figure that has recently been made by the appraiser for the Great Salt Lake Authority.

As I recall, in round figures our figure is about \$58 an acre, and his figures are about \$50 an acre. If I may, I would suggest that we are pretty well in the ball park on this basis of valuation.

I might say also, our appraiser, Mr. Newton, does not agree with the opinion of the distinguished senior Senator from Utah with respect to the quality of this grazing land. As a matter of fact, he says it is

extremely good grazing land. He says, moreover, in his judgment it is worth 50 percent more than comparable grazing land would be worth elsewhere in Utah because in fact it is isolated and the owner can run his cattle there without the need to fence, without the intrusion of hunters and Hondas, and all of the other things that other cattlemen on the mainland are subjected to.

Senator BIBLE. How many head of cattle does he run?

Mr. HARTZOG. He has 3,900 head of cattle on there for 3 months.

Senator BIBLE. How many animal units per month are there?

Mr. HARTZOG. According to what I am told, that figures out to roughly the equivalent of 1,000 head for a year.

Senator BIBLE. The equivalent of 1,000 head per year?

Mr. HARTZOG. Yes, sir. I am not an expert on this but this is what I understand.

Senator BIBLE. Based on that, how does that compare with other western ranges?

Mr. HARTZOG. In his appraisal he lists here the comparable sales that he used and I was hurriedly trying to go through here.

Senator BIBLE. You can supply your backup material for the record, George, but, in your judgment, what is the correct, and fair market value per acre of the acreage proposed to be acquired by the bill which we have before us?

(The information requested appears on p. 83).

Mr. HARTZOG. It is our view, sir, that the figure which I just gave you is the correct figure and it was this basis on which we made an offer to the Island Ranching Co. for an option of \$1.4 million. That is what we think the property is worth and that is all I expect to pay for it.

Senator BIBLE. That projects out at \$57 an acre, or \$50 an acre?

Mr. HARTZOG. Right in that ball park, because the other holdings have come up just a little bit above it, so the private property on the whole island is a little better than \$57 an acre.

Senator BIBLE. Does that include some improvements on it?

Mr. HARTZOG. Yes; it does. It includes \$142,000 worth of improvements on the Island Ranching Co. property.

Senator BIBLE. That is \$1.4 million?

Mr. HARTZOG. Yes, sir.

Senator BIBLE. If we were to put on a ceiling of \$1.4 million could you acquire it?

Mr. HARTZOG. No; I need the overhead expenses.

Senator BIBLE. Why do you need those? Do we not appropriate money for overhead?

Mr. HARTZOG. No, sir. You see, we finance our land acquisition staff in two ways: We finance the cost of our real estate division out of our management and protection money. We finance our appraisers in the Washington office and in our two service centers who do the field appraisal for authorizations out of management and protection money.

The staff that is on the land-acquisition project, actually buying land, is financed out of the land-acquisition money. This is why we carry two items, one in the budget of the Bureau of Outdoor Recreation and one in the National Park Service budget for acquisition.

In other words, as I recall, we had one appraiser to do all of the preauthorization appraisals, Senator Kuchel, for the National Park

Service. We had one appraiser do all of the preauthorizations appraisals throughout the United States. This is why the committee gave us five additional appraisers to work on these authorizations of appraisals.

Senator BIBLE. Assuming this bill becomes law, how many owners do you feel it necessary to deal with?

Mr. HARTZOG. We have four private owners and then we have some land that is already owned by the Federal Government to be transferred to our administration and land that is owned by the State of Utah.

Senator BIBLE. Is this going to take \$200,000 of Federal taxes on top of that?

Mr. HARTZOG. No, Senator; it won't, except this is an across-the-board figure trying to determine—

Senator BIBLE. I don't care about that average figure across the board. This is apparently an unusual situation or we would not be here today. What I am trying to find out, with a sharp pencil and your shrewd bargaining power and your great ability to get along with the men in the field, if you had \$1.4 million could you acquire the land?

Mr. HARTZOG. I don't know. You know, we are not really bargaining there with this owner. We are really playing showdown.

Senator BIBLE. If you put a ceiling on it he knows that is what he would get.

Mr. HARTZOG. No. As a matter of fact I have a copy of a letter in which he says he expects the value to be somewhere in the ball park of \$2.5 million.

Senator BIBLE. Maybe he would have to use it for a ball park, then.

Mr. HARTZOG. I simply indicated that this is all I intend to pay, \$1.4 million, because that is what the appraiser says it is worth. In light of this you have no bargaining room here. You just said this is a rather unusual procedure. Normally we don't reveal before the legislative committees the individual tract appraisals. We talk in terms of a gross sum authorization. We are simply playing showdown, here, and that is all.

Senator BIBLE. I am wondering, if you have the \$1.4 can you acquire the property or not?

Mr. HARTZOG. He won't sign the contract. I asked him twice to sign an option and twice he refused, so I don't know if he will take \$1.4 million.

Following the difficulties which we were having in some of them that have been authorized, where we had one owner and then when we got the area established the owner wanted the whole ball of wax, when I get involved in these in which I have one owner or substantially one owner I have usually tried to reduce that price to an option during the authorizing process so as not to get caught between the authorizing process and the appropriation.

Senator BIBLE. I very often give thought to deauthorizing some of these parks. I know that causes you some trembling. Maybe that would be a refreshing experience. Maybe the judgments they would get would go down some. I think the minute you say you are going to condemn property and establish a park, there is a tendency to say Uncle Sam has to pay for it so let's jack up the price and they forget the fellow that puts in the money is the taxpayer.

I have tried enough condemnation proceedings to know the price always goes up. Maybe we could get these figures a little more realistic. The only question I have is trying to see whether we are in the ball park with the \$1.4 million figure. You think we are because that is what the appraisers for the Great Salt Lake Authority came up with, so this in a fair range.

On another subject, just briefly, because it was suggested by Senator Bennett. Assuming you acquire this and assuming this becomes a Great Salt Lake Monument, what are you going to do with the 2,000 acres that will become a beach to be used under the Great Salt Lake Authority for people to swim where the State of Utah has already appropriated \$140,000? Do you intend going in and acquiring that?

Mr. HARTZOG. Yes, sir, we do. And the lease agreement, an advanced copy of which the Governor sent to us which I understand was executed and this provision was not changed, provides that upon the acquisition of this property by the Federal Government the lease is automatically terminated.

Senator BIBLE. Would you say that again?

Mr. HARTZOG. Upon acquisition of the fee is this island, all of it which we intend to acquire by the Federal Government, the lease between the Island Ranching Co. and the State of Utah is automatically terminated, and this of course, these figures that you were discussing earlier in terms of this \$210,000, the advance copy of the lease that we have provides that in that event the Island Ranching Co. shall keep \$7,000 per annum as rental on the property and the State shall be returned \$14,000 for each year that the lease is in existence.

Senator BIBLE. Do you mean if we acquire this in total fee that this lease agreement is going to require the Federal Government to reimburse the State of Utah?

Mr. HARTZOG. No, the lease is a lease purchase.

Senator BIBLE. From the cattle company to the State of Utah?

Mr. HARTZOG. Yes, and it is outstanding for 10 years. If during that 10 years the Federal Government acquires the island as contemplated by S. 25, then it is stipulated in the lease, a copy of which we have which is not an executed copy and it is an advance copy and I understand it was executed in substantially this form, that it is agreed that the rental on the property during the period of time that the State has it shall be \$7,000 per annum. The remaining amount presumably to have what the State would have paid had it gone ahead to the end of the 10 years and actually acquired it. In other words, the \$14,000 which they are paying annually is really purchase money but they are paying it in installments.

Senator BIBLE. It would be an unpaid purchase price which would remain to the Federal Government if they took it over?

Mr. HARTZOG. Yes.

Senator BIBLE. What would that amount be?

Mr. HARTZOG. The State would get back \$14,000 of its \$21,000 payment for each year that the lease had been outstanding. We would still pay Island Ranching Co. \$1.4 million. If I understand what you are suggesting, I think you are correct, that in effect the money which they get, the \$1.4 million they would use \$14,000 a year to refund to the State. In other words, the absolute rental under the lease is \$7,000 a year. The remainder, as I understand it, and as I have been

advised, is purchase money for the 2,000 acres plus the right to remove 278,000 yards of gravel.

Senator KUCHEL. Who would have the right to remove?

Mr. HARTZOG. The State would have the right to remove.

Senator BIBLE. The Senator from Washington.

Senator JACKSON. What about the site?

Mr. HARTZOG. The site selected will be on a ridge which can be taken and will be refilled and graded to the same contours and seeded in the same way as the rest of the island.

Senator JACKSON. Is there any problem in connection with the operation of brines adjacent to the island which would in anyway be incompatible with the park? There have been these stories about a brine operation in the lake adjacent to it which would be incompatible with the park.

Mr. HARTZOG. There are none of which we are advised that are incompatible with the park. The only thing that has been discussed with it is the fresh water lake which Senator Bennett referred to which would be formed by diking in this area and by landfill in this area and barring the Jordan River.

The diking would go over to Promontory Point and in effect—you see, this is Antelope Island and this is now filled in here between the area adjacent to the city and the southern end of the island and this landfill would be in the southern end with a dike over to the island and then a dike would take off in this general area which would have the tendency of making the Jordan River, the Weber River, and the Bear River flow into essentially a fresh water lake. It is our understanding further that there is a 7-foot differential to be maintained between this fresh water lake and the salt water head in Great Salt Lake.

The purpose of this is to not only prevent the intrusion of these different waters with each other but to nourish the Great Salt Lake with supplies of fresh water. The maximum fluctuation that we have been advised on these fresh water lakes is 7 feet and this, in our judgment, does not impair the significance of this island. The Great Salt Lake, as a matter of fact, over hundreds of years has fluctuated some 10 feet and, as a matter of fact, just last year as I am advised, fluctuated 16 feet.

In other words, fluctuation of water is really the story of Antelope Island. This is the story to be told, so these water fluctuations as they have been outlined to us are not significant in any impairment of value.

Senator BIBLE. Thank you for your statement. I wish you would read the record and correct the written record when you were referring to your directions on the map.

Senator JACKSON. Is there any relicted land problem here?

Mr. HARTZOG. There are relicted lands, Senator, and the price I have offered and the option form I have offered to the Island Ranching Co. covers all interests that it may have or claims it may have to relicted lands. There is a suit pending by the Morton Salt Co. against the State of Utah which lays claim to all of the relicted land, as against all private owners. Morton Salt Co., as Governor Rampton has advised me, claims this thesis claiming the reparation rights doctrine is applicable. If so, if Morton views prevail, the relicted lands in this area under discussion would be divided between the landholder on

Antelope and Morton Salt. If the State wins and the relicted lands therefore are determined by the courts to be in the State of Utah, the State of Utah will give them to us. In any event, we are extinguishing the right of the Island Ranching Co. to the relicted lands or we are not going to buy the land. This is part of the option.

Senator JACKSON. The estimate that we had before the committee was 15,300 acres of relicted land. Is that approximately correct?

Mr. HARTZOG. Yes, Sir; that is my understanding.

Senator JACKSON. I have just one other question, Mr. Hartzog. I take it that you made an effort, or your staff people did, to contact the Great Salt Lake Authority in connection with that 1964 appraisal in which they reached the figure of \$22 to \$27 an acre that the chairman of the subcommittee mentioned earlier. You were not able to get information from them as to how they arrived at that figure?

Mr. HARTZOG. We did not get copies of the appraisals. As a matter of fact, I don't think they showed those. I am told we did not see those reappraisals. The only appraisals we saw was the appraisal by Mr. Palmer.

Senator JACKSON. One of the three appraisers, of course, made the appraisal here just recently for the Great Salt Lake Authority. He upped it to \$50 an acre. Like the Chairman here, I just wonder how they made this jump in 3 years from a margin of \$22 to \$27 per acre to a \$50 figure. I think it would be helpful because it is in the letter here from the Department—

Mr. HARTZOG. Sir, I was unable to get that information. I have shared with the committee in the letter to you the information that I had. Maybe the State can do it.

Senator JACKSON. It would seem to me that it would be useful to complete the record here, Mr. Chairman, that the Great Salt Lake Authority supply that information because the way it stands we have a situation in which one of the appraisers, at least, who acted this year has raised it from \$22 to \$27, which was the figure in 1964, to \$50 in 1967. I think it would be useful if the Department could request it, saying the committee asked for it so that the record would be complete on this question of appraisal.

Senator BIBLE. The Senator from California?

Mr. HARTZOG. So as I understand the question, you want me to write to the Great Salt Lake Authority asking for this information on behalf of the committee?

Senator JACKSON. Yes. One of the three appraisers who participated in 1964 made the appraisal this year, and I think it would be useful for him to explain. First of all get the findings in 1964. Then get the findings in 1967 by the appraiser who made the appraisal again 3 years later.

Senator BIBLE. The Senator from California.

Senator KUCHEL. Mr. Hartzog, you and the Department support legislation which was reported by this committee to the Senate a number of weeks ago?

Mr. HARTZOG. Yes, sir; we do, Senator. As a matter of fact, the National Park Service is on record since 1960 as to the national significance of this island because of its scientific value.

Senator KUCHEL. And the amount of money authorized for appropriation in the bill as reported is \$2,245,000?

Mr. HARTZOG. Yes, sir.

Senator KUCHEL. That would be the amount of money for land acquisition?

Mr. HARTZOG. Yes, sir.

Senator KUCHEL. The entire authorization, I take it, would include the development costs of \$9 million and operating costs, as the Senate committee report indicates?

Mr. HARTZOG. Yes, sir; but generally the legislation does not include the development costs as a part of the authorized ceiling. We provided that to the committee to give an idea of the dimension of our proposed developments.

Senator KUCHEL. This bill would authorize whatever future appropriations are required?

Mr. HARTZOG. Yes.

Senator KUCHEL. A figure of \$1.4 million was used by the chairman. I will read the language of the bill.

Mr. HARTZOG. I beg your pardon. I see it was put in the amended bill.

Senator KUCHEL. That section of S. 25 then amended here in committee crossed out the words "such sums as are necessary," and caused section 5 to read as follows: "There are authorized to be appropriated not to exceed \$2,245,000 for acquisition, \$9,135,000 that you had for development to carry out the provisions of this act."

I think just for the sake of continuity, before I ask about that \$1.4 million, let me ask my colleague on the committee, Senator Moss, Are you going to seek to reduce this in the Senate?

Senator Moss. Yes, the amendment seeks to reduce the \$2.2 million to \$1.6 million and the reason it is \$1.6 million, I have assumed that the Park Service is likely to get the property that belongs to the Island Ranching for \$1.4 million. However, there are two other ranch-owners on there so there are two other small parcels to be picked up, and they do have some overhead, so there are a few hundred thousand dollars spread in there to allow them to do this.

The Director has been testifying they can operate within this \$200,000 differential. I hope they can. There is only the one large landowner to deal with and two smaller ones, so, therefore, I would expect they would have to have extended negotiations and not likely to have to bring any court action.

Senator KUCHEL. If you offered this amendment and if it were adopted, would it not be probable that you would have to offer a subsequent new bill authorizing additional moneys for the acquisition of the entire 26,000 acres?

Senator Moss. No; the Director has testified that, based on their appraisal, they think the fair value to pay for all of the interests of the Island Ranching Co., including the relict lands, is \$1.4 million.

Senator KUCHEL. How many acres does that constitute, Mr. Hartzog?

Mr. HARTZOG. Their acreage, sir, is 24,862 acres for \$1.4 million. It is roughly \$50 an acre, sir, plus the \$142,000 for the improvements.

Senator KUCHEL. You now tell this committee you would acquire the balance of the island for an additional \$200,000?

Mr. HARTZOG. Sir, I say that our appraiser says all of the private land on the island can be acquired for \$1,459,000.

Senator KUCHEL. Where did the \$2,245,000 figure come from?

Mr. HARTZOG. That is the item of \$1,459,000 for private land acquisition, \$218,000 for contingencies, \$368,000 for administrative overhead, and acquisition costs and \$200,000 for unknown mineral rights.

Senator KUCHEL. You recommend that to the committee?

Mr. HARTZOG. I did.

Senator KUCHEL. Are you amenable to having that series of items that you have just read deleted from the bill?

Mr. HARTZOG. I do not recommend that, Senator, for the simple reason I have no idea when I will get an appropriation on this if the legislation is passed. That is exactly why I have the contingencies in there. If you gave me \$1.4 million today I could sign an option today for \$1.4 million. If this should happen in others—and believe me, I am not saying this to criticize the process—but the lag between the authorization and the appropriations, sir, is such that this is precisely why we have been putting these contingencies in our figures recently.

Senator KUCHEL. Have you testified in that manner before the committee earlier?

Mr. HARTZOG. I did not but one of my assistants did and I support what he said. We need an authorization for \$2,245,000 particularly when it is unknown at this time what the lag may be. On the other hand, I suggested if this information that has been given me today through Senator Moss' office is correct and the Island Ranching Co. office has in fact extinguished all of its outlying mineral estate on that island, and that is the basis on which we appraised it because we don't think it has a value, but again we put in a contingency in it in case we ran into one that did, we would live with a ceiling of \$2,245,000.

Senator KUCHEL. When you say the company involved may have extinguished its mineral interest, you mean that on what basis?

Mr. HARTZOG. On the third party mineral interests that may have been outstanding. Every section on this island was patented to Union Pacific and they sold it to Island Ranching, reserving the mineral estates. I have just been advised Island Ranching said they have acquired—

Senator MOSS. And this was verified by Union Pacific?

Mr. HARTZOG. That is correct.

Senator KUCHEL. When did that take place?

Mr. HARTZOG. Apparently over a long period of time because in the last conversation we had with the ranch manager he indicated at that time he thought they had substantially all of it and that is why we put in the \$200,000 figure. I have seen enough of these in the last 4 years that it has been my privilege to appear before this committee to know that a can of worms can appear at any point and that is why I put the \$200,000 in there, just in case he was substantially in error.

Senator KUCHEL. On the mineral rights?

Mr. HARTZOG. Yes, sir.

Senator KUCHEL. Who made the appraisal of the mineral rights?

Mr. HERTZOG. Our chief appraiser. We expect they are worth nothing but my experience leads me to believe there are very few things involved in these areas when the Federal Government starts to acquire them that is worth nothing. That is why we put in this figure.

Senator KUCHEL. Did your chief appraiser appraise the potential mineral rights at \$200,000?

Mr. HARTZOG. No, sir, it is simply a figure which we put in to hedge against any unknown quantities with respect to this mineral estate.

Senator KUCHEL. Let us assume in this bill, or any other bill, that an authorization is made to establish this kind of Federal facility and the appropriation comes along and he is appropriated to carry out the purposes of the act. Generally does the appropriation extend over a period of years?

Mr. HARTZOG. Yes, sir; it does.

Senator KUCHEL. Would it in this bill before us extend over a period of years?

Mr. HARTZOG. I have no way of knowing, sir. My view is that this should be requested in one lump sum because it is all substantially one ownership, but I have no way of knowing what the budgetary strictures may be on me in submitting the 1969 budget assuming this were to be passed this year.

Senator KUCHEL. Suppose the Congress did appropriate the entire amount for land acquisition. How, administratively, would you and your people go about acquiring the land?

Mr. HARTZOG. Our view is that the appraisal we have is sufficiently current that we can rely on it in our negotiations today. So our procedure would be to offer them an option at this price.

Normally, if they won't accept this because of the size of this being \$1.4 million, we would order an additional appraisal, and then we would have a second man to either confirm or deny the validity of our offer, and then we would offer a second time. This is our normal process.

But as I said in this case, there is nothing normal about it and that would be a waste of time because \$1.4 million is all we can pay for this property. There is no bargaining room here. Everything has been out on the table and this is it.

Senator KUCHEL. In dealing with the private landowner, do you authorize any of your people, Mr. Hartzog, to vary in any degree from the appraised value that your people have set on a piece of property if that would be the basis of acquiring it?

Mr. HARTZOG. I do, sir, short of condemnation. We allow them some leeway where there is a range of appraisal values.

Senator KUCHEL. There is a range of appraisal value here in this letter.

Mr. HARTZOG. Senator, if I may offer for your consideration, we would not accept those State appraisals on the basis of what we know about them.

Senator KUCHEL. What is the amount per acre that you would believe should be a fair figure for the Federal Government to acquire this property?

Mr. HARTZOG. It figures out to be about \$57 and that includes the improvements.

Senator KUCHEL. What are the improvements?

Mr. HARTZOG. \$142,000.

Senator KUCHEL. What are they actually, physically? Are they buildings?

Mr. HARTZOG. Buildings, ranchhouses.

Senator KUCHEL. How long have they been on the property?

Mr. HARTZOG. One of them, sir, as you heard discussed earlier, is the oldest residence in Utah, still in the same use.

Senator KUCHEL. What I mean to ask just for the purpose of helping guide us, if those improvements are not brand new, then would it be fair to say that on the earlier appraisals there was also to be considered the improvements, the appraisals?

Mr. HARTZOG. I don't know, sir. You see, we were unable to see those reports and I have no idea what was in them that are referred to by the State and by the Great Salt Lake Authority.

When we were asked to look into this, we were told to ask for them and we did and we were told they were not available to us. So we have not seen them and I don't know what is in them.

In our appraisal, there is \$214,000 for these buildings which range from a ranchhouse for the foreman, sleeping quarters for the ranchhands, bunkhouse and blacksmith shop, root cellar, springhouse, hydraulic ram and pumphouse, powerhouse, implement shed, stockades, fences, and miscellaneous items that you would expect to find on an operation like this.

Senator KUCHEL. Must we not assume those improvements you have just enumerated have been physically present on the property for a number of years?

Mr. HARTZOG. Indeed, sir, and they were not in this acreage that was appraised. As I understand, they are farther down on the island, so it would be by my assumption—

Senator KUCHEL. Your testimony with this committee is none of those improvements is physically located on the acreage which is desired by the State of Utah?

Mr. HARTZOG. That is correct.

Senator KUCHEL. That is your testimony?

Mr. HARTZOG. That is correct. Those are the facts.

I would offer for your consideration the fact that the initial appraisals about which we have been talking are 4,000 acres and the appraisals, the last appraisal, is 2,000 acres.

Senator BENNETT. That is right, but the \$25 an acre appraisal, as I understand it, is for the whole island. I could be wrong on that.

Senator KUCHEL. I think that is important, and I think the committee properly would be able to ascertain that fact when these reports are made available to it.

Let me ask you this, Mr. Hartzog: Under what conditions do you make a decision that a matter of land acquisition be transferred to the Department of Justice for lawsuit?

Mr. HARTZOG. When we have exhausted all reasonable efforts at negotiations.

Senator KUCHEL. What has your experience been where you have transferred it to the Department of Justice? Has the Government had to pay more money or less money or about the same?

Mr. HARTZOG. More money.

Senator KUCHEL. Is that pretty much standard?

Mr. HARTZOG. Yes, sir, I would say it is.

In recent months we have had more favorable experience on condemnation than we had 3 years ago.

Senator KUCHEL. More favorable consideration. By that do you mean in recent months the judgments have been about the same?

Mr. HARTZOG. About the same as what we had been offering and estimating. In fact, a very significant one at Padre Island came in almost exactly what we had estimated to this committee it would come in at. Whereas, the first one we had greatly exceeded what they told this committee it would be.

Senator KUCHEL. Has the State actually entered into a contract now to acquire the 2,000 acres?

Mr. HARTZOG. I am advised by a newspaper clipping which was brought to me by our people from Salt Lake City this morning that the Governor has signed a lease arrangement.

Senator KUCHEL. He has signed a lease purchase agreement whereby at the end of 10 years it would vest in the State at a cost of how much money?

Mr. HARTZOG. \$21,000 a year.

In our letter, sir, to the committee, we capitalized the rent on this property and the capitalization indicates that we are still pretty much in the ball park of about \$58 an acre, so the absolute rent in this agreement brings us out pretty well.

Senator KUCHEL. On that reliction, would you tell the members of the committee what a reliction is?

Mr. HARTZOG. Sir, I am informed that it is the land that was underlying the Great Salt Lake at the time of the admission of the State of Utah to the Union and which has since become dry land as the lake has receded.

Senator KUCHEL. So a reliction takes place when submerged land surfaces?

Mr. HARTZOG. That is my understanding.

Senator KUCHEL. Why is there an item for the acquisition of relicted land in the amount of 15,000 acres?

Mr. HARTZOG. Because this is the relicted land that is within the taking line on this proposal in S. 25.

Senator KUCHEL. Which was not present historically?

Mr. HARTZOG. Not in 1876.

Senator KUCHEL. Where is title to that?

Mr. HARTZOG. Utah claims it is within the State of Utah, and they claim they will give it to us, and the Morton Salt Co. has challenged this in a suit and they claim it is created, in effect, and belongs to the adjacent property owners and not to the State. In either case, if Morton Salt wins then we get it under that doctrine and if the State wins we get it because the State will donate it to us.

Senator KUCHEL. What is the value per acre that you placed on the relicted land?

Mr. HARTZOG. We have no value placed on the relicted land.

Senator KUCHEL. If you are going to acquire it and if it amounts to 15,000 acres, surely it is going to be of some value.

Mr. HARTZOG. Our view is, and this is the only basis on which we could appraise it, to begin with, our appraisers thought the appraiser ought to break out and assign a value; and my view was they should not because the State of Utah has asserted this right, the State of Utah is a sovereign, and the Congress of the United States last year validated this point of view by relinquishing its interests in the lands of the State of Utah; and I thought the value should be assigned to the land inside the boundary line in 1876 and if a value was to be assigned for relicted land it should reflect itself in such rights as they

would have claimed to waters and lands that adjoin their waters and lands so there is no segregated value for relicted lands in this field.

Senator KUCHEL. The land that Morton claims actually rings the island, then—

Senator MOSS. No, it is away from there.

Senator KUCHEL. Point out on the map where it is.

Mr. HARTZOG. Senator Bennett knows better than I do.

Senator BENNETT. Morton Salt operates on the south side of the lake. This is where the land has begun to fill in. It is filling up in the moving north as the reliction increases.

Senator BIBLE. Let's have one testifying at a time so we can keep the record straight.

Senator BENNETT. Presumably there could be some debate over land in this area and that is where they are running—

Senator KUCHEL. You are pointing to part of the island.

Senator BENNETT. No, the island stops here. This is relicted land already.

Senator MOSS. If the Morton doctrine prevails then the island has a right to claim the relicted lands out to its shore, you see, and that is the reason either way, as the Director testifies, the land will come to the Federal Government.

Senator KUCHEL. Thank you, Mr. Chairman.

Senator BIBLE. If I understood you correctly, Mr. Hartzog, about the technicalities of this relicted land and who it belongs to and so on, my understanding was that your \$1.4 covered that value, whatever it was. They had to relinquish the mineral rights just the same as you did in the Guadalupe National Park, so you didn't buy a pig in a poke and find out you owed somebody a million dollars. Do I understand that correctly?

Mr. HARTZOG. That is absolutely correct. We learned a hard lesson on this at Point Reyes. The vendor's offers to the quitclaim to the United States of America and it assigns all of the vendor's rights, title, and interest in and to relicted land and land now submerged by the Great Salt Lake.

Senator BIBLE. That is only part of the question. If the Morton Salt Co. should ultimately win this, how do you take the interests of Morton Salt out?

Mr. HARTZOG. No, I only want half of it.

Senator BIBLE. How do you take the half?

Mr. HARTZOG. They are claiming they own half of the relicted land, and as this comes up from the water surface that it belongs to the adjacent property owners and not the State of Utah, so under this provision, as our lawyers tell me, we could then assert our rights to half of it if Morton prevails.

We also have an agreement with the State government if the State prevails then that relicted land there that is not covered will belong to the State of Utah and they will give it to us.

Senator KUCHEL. If the State does not prevail do you get the other half?

Mr. HARTZOG. I get it as a matter of right.

Senator KUCHEL. You don't want the other half, though?

Mr. HARTZOG. No.

Senator BIBLE. You are saying you have no mineral rights here to require extinguishment by paying money.

Mr. HARTZOG. No relicted land rights. They are conveying everything they have to us. That is what that extra \$200,000 figure was put in for.

Senator BIBLE. I think that is a poor explanation for putting in \$200,000 for unknown mineral rights. They may come up with uranium and then it would be worth more.

Mr. HARTZOG. I am going to acquire the mineral estates before I acquire any surface whatsoever.

Senator BIBLE. So we don't have any unknown mineral values to come back to haunt us?

Mr. HARTZOG. We are learning under the guidance of the Congress about these acquisitions some very interesting problems in these areas.

Senator MOSS. I recognize the lateness of the hour and I will try to be very brief.

I would like to get your answers, however, to a few questions and perhaps you could answer them briefly and we will not need to prolong the hearing. My senior colleague feels that this island is not worthy of national monument status and that it is something less than would meet the standards of the Park Service in this regard.

I notice that you have prepared a document here, which I have seen, on the features of the island. Could you respond quickly as to whether there is any doubt at all in your mind as to whether this is of national monument caliber?

Mr. HARTZOG. Senator, there is no question at all in the judgment of the professional staff of the National Park Service concerning the national significance of this island from the scientific point of view, and this, of course, is the major basis for evaluating national monuments, either scientific or interest involving items or artifacts of antiquity. This tells the story of the lakes during the Pleistocene era and down to the pre-salt lake. This Antelope Island, as you will note, was outstanding at the time of Lake Bonneville, and this indicates the extent of the island at Lake Bonneville stage.

The color in purple indicates Antelope Island at the Provo Lake stage and at this stage it is interesting that the northern tip of the island first emerged as a separate island.

At the Stansbury period, in geologic time, the blue indicates the dimensions of Antelope Island. It is interesting that the tip of the island that is pointed toward Salt Lake City emerged during the Stansbury Lake period.

Senator BENNETT. That is as far away from Salt Lake City as I can get.

Mr. HARTZOG. I am sorry. I am backward here.

The light green is as it existed during the Gilbert Lake period beyond and the yellow is the island as it existed during the period of the Great Salt Lake which fluctuates, as I pointed out earlier, as much as an average of 10 feet a year.

This island has the marks now of each of these periods in geologic time on it and they can be viewed from it, and it is the site to be preferred, admitting that there are other locations at which these geologic periods can also be seen. They are either hampered by developments, Promontory Point, not only by the railroad but by salt-mining operations that are going on there. This is the one the professional staff proposed. This is the one the advisory board at its March 25-27, 1963, meeting recommended that some part or all of this island be saved in order to tell this geologic story.

Senator Moss. Thank you.

I would ask that this document on the scientific significance of Antelope Island be put in the record at this point so we do not prolong the questioning on that.

SCIENTIFIC SIGNIFICANCE OF ANTELOPE ISLAND, THE PROPOSED GREAT SALT LAKE NATIONAL MONUMENT

Great Salt Lake is unquestionably one of America's outstanding scenic and scientific gems. Situated in a desert and mountain setting, there are qualities of ethereal beauty and mystery about Great Salt Lake which captivate all who travel that way. No less significant, however, is the stature of Great Salt Lake as one of the unique scientific features in the Western Hemisphere. Its scientific and educational values are recognized the world over among scientists and laymen alike.

Antelope Island is part and parcel of Great Salt Lake and immediate vicinity as an incomparable natural scenic and scientific exhibit. Antelope Island has shared in the drama of earth history which has been unfolding in the Great Basin area from earliest geologic time to the present. The bulk of the island is composed of some of the oldest rocks exposed in the Great Basin area while abundant evidence of later events in the geologic history of Great Salt Lake and vicinity are contained in the present day form of the island and its surface features.

ICE AGE LAKES

Great Salt Lake, situated in the eastern portion of the Basin and Range Physiographic Province, is a surviving remnant of vastly larger ancestral lakes of varying sizes and depths which covered this sector of the Great Basin during the Ice Age of the Pleistocene Epoch. The Pleistocene refers to that period of colder, wetter climate which began about one million years ago and ended approximately 10,000 years ago.

LAKE BONNEVILLE

Lake Bonneville is the name given to the stage of this lake at its maximum size and depth. The name memorializes the late Captain Bonneville who explored this part of the Great Basin between 1832 and 1836. Stages of the lake successively younger, lower in elevation and smaller in size have been named Lake Provo, Lake Stansbury, and Lake Gilbert, respectively. Great Salt Lake is the present stage.

When Lake Bonneville was largest, perhaps as long as 100,000 years ago, it was comparable in depth and area with Lake Michigan. It had an area of 19,750 square miles—about eleven times the area of Great Salt Lake—and was some 1,000 feet deeper. Bonneville covered much of western Utah extending more than 300 miles from southern Idaho almost to the Arizona boundary. Its waters lapped against the slopes of Antelope Island and the more distant Wasatch Mountains at an elevation of about 5,200 feet above sea level. During Lake Bonneville time, Antelope Island was about eight miles long and one half mile to two or three miles wide with ridges and promontories rising 1,000 to 1,400 feet above the water surface.

The waves of Lake Bonneville were as powerful as those of Lake Michigan and fashioned the shore into an elaborate system of cliffs, beaches, and spits. When the waters dropped to lower levels, they left behind the shapes and shoreline fringes they made. Today these shoreline features are recognizable as one walks around the higher portion of Antelope Island at the 5,200-foot elevation.

A final trend toward enlargement brought about the demise of Lake Bonneville. Upon attaining its last and highest level, Lake Bonneville found an outlet over fractured and relatively soft rocks at Red Rock Pass about 100 miles to the north of Great Salt Lake. Drainage into the Pacific Ocean was immediately established via the Portneuf, Snake and Columbia Rivers. The overflowing torrent quickly deepened the Red Rock Pass outlet as much as 375 feet.

LAKE PROVO

The lake which formed at this reduced level some 375 feet below the surface elevation of Lake Bonneville and 625 feet above the present 4,200-foot elevation of Great Salt Lake, has been named Lake Provo. Like its Lake Bonneville predecessor, Lake Provo also produced characteristic shoreline cliffs, beaches and spits.

Antelope Island became about nine miles long, and up to four miles wide and its ridges and promontories stood 1,600 to more than 2,000 feet above the water surface. These shorelines features are found in places here and there around Antelope Island at an elevation of 4,800 to 4,825 feet above sea level.

The outflow at Red Rock Pass terminated in time as drier and warmer climate caused evaporation losses to exceed inflow by ever-increasing amounts. Lake Provo was doomed.

LAKE STANSBURY

As the drying trend accelerated, the lake surface dropped about 700 feet below the level of Lake Bonneville and 300 feet above the level of Great Salt Lake. Here the shrinkage halted long enough for still another series of shoreline cliffs, beaches and spits to be formed. The lake at this level has been named Lake Stansbury. It is the last of the lakes to contain fresh water. Deprived of an outlet, the concentration of salt increased steadily.

Geologists have determined that the Stansbury stage was reached about 23,000 years ago and that the level remained fairly constant for a period of several thousand years. The Lake Stansbury shoreline on Antelope Island averaged about a mile farther inland and 300 feet higher than the present shoreline of Great Salt Lake. Buffalo Point stood as a separate island isolated from the main mass of Antelope Island during this stage.

LAKE GILBERT

Lake Stansbury's life span ended as the water again dropped to an elevation of only 40 feet above the present lake where the surface remained relatively constant long enough to produce another set of the usual shoreline features. The lake at this level has been named Lake Gilbert in honor of the geologist, Karl Grove Gilbert who was first to work out the Lake Bonneville story in detail. Lake Gilbert was about twice the size of Great Salt Lake and covered much of the Great Salt Lake Desert to depths of 15 feet or more. Carbon 14 datings disclose that Lake Gilbert disappeared near the close of the Great Ice Age some 11,000 years ago whereupon the water surface dropped to the level of the present Great Salt Lake.

During Lake Gilbert time the shoreline on Antelope Island stood a few hundred feet to as much as half mile inland from the present shoreline and at an elevation of about 4,240 feet above sea level. Lake Gilbert shoreline features abound along virtually the entire perimeter of Antelope Island at this elevation. It is here that the relationships between the Gilbert and present lake levels are most effectively illustrated.

SUMMARY OF LAKE STAGES

Following is a list of the various lakes which have existed in the basin of Great Salt Lake and vicinity from middle to late Pleistocene times until the present:

Lakes or lake stages	Elevation	Height above present lake
	<i>Feet</i>	<i>Feet</i>
Bonneville.....	5,200	1,000
Provo.....	4,825	625
Stansbury.....	4,500	300
Gilbert.....	4,240	40
Great Salt Lake.....	4,200	-----

CONCLUSION

Antelope Island consists of bedrock comparing in age with the oldest rocks in this part of the Great Basin. The island stood above the surfaces of all of the lakes ancestral to the Great Salt Lake. Cliff sculpturing and beaches and spits surround Antelope Island at levels corresponding to the levels of Lakes Bonneville, Provo, Stansbury and Gilbert as well as the present Great Salt Lake. These features comprise a complete scientific record of changing lake levels and Antelope Island affords an unexcelled vantage point from which these features can be observed and studied.

Antelope Island also comprises a grandstand observation platform from which panoramas of Great Salt Lake and the surrounding desert and mountains may be enjoyed to greatest advantage. There is something unusual, indeed, about a

situation making it possible to travel entirely around an island at the various shoreline levels of the ancestral lakes and to view the present lake in relation to these various levels.

Scientific significance is the hallmark of national monument caliber for any feature, site or area. On this basis, Antelope Island merits national monument status in its own right. The island as a whole comprises a complete topographic unit and it is the record of the drama of earth history which circumscribes the island from its present shoreline to the crests and promontories standing as much as 2,400 feet above the surface of Great Salt Lake. These are factors which contribute to the scientific significance of Antelope Island. It is doubtful whether any other location surpasses Antelope Island as a scientific exhibit of the story of Great Salt Lake and its ancestral lakes and as a place for its observation, study and enjoyment by visitors.

Senator Moss. If I properly summarize your testimony, there is no question in your mind that this is worthy as inclusion in the national park system as a national monument.

Mr. HARTZOG. That is correct.

Senator Moss. Does it disturb you there would be some bathing off of the beach there or some boating or horseback riding around the island?

Mr. HARTZOG. It does not.

Senator Moss. Is it incompatible with a national monument?

Mr. HARTZOG. It is not.

Senator Moss. If there were some unknown member of the National Park Service who says it destroys a national monument when you have bathing off there, is he speaking of the authorized policy of the Department?

Mr. HARTZOG. He is not.

Senator Moss. If he says there is a railroad trestle within view and that this would impair the national monument or smokestacks in view that would impair the national monument, is he speaking authorized policy?

Mr. HARTZOG. He is not.

Senator Moss. The State has now executed this lease purchase agreement we have been talking about here, and presumably will begin within the next few months, if they get their road built, to construct a bathing beach there. The State, then, under the provisions of the report, would ask to function as a concessionaire continuing to run that bathing beach and the functions on the north end. Has this been contemplated by the Department in supplying its report to this committee on S. 25?

Mr. HARTZOG. It has, sir.

Senator Moss. Are there any doubts that the Department has as to whether the State should be permitted to function that way if it wishes to do so?

Mr. HARTZOG. There is not.

Senator Moss. Is it your intention to enter into negotiations with the State in the event the bill becomes law to regularize this procedure?

Mr. HARTZOG. That is our intention unless there is some different instruction or provision included in the act.

Senator Moss. Something has been said about the tailings operation that is being contemplated by the State of Utah, whereby tailings may be used as dikes on the shores of the lake and that some of those dikes may be attached to this island.

In fact, section 3(b) of the bill and section 4 of the bill discuss this. Is the Park Service fully aware of that and is this within its contemplation of the development and use of this island as a national monument?

Mr. HARTZOG. It is, sir, and all of the discussions we have had indicate that the matter of possible pollution and otherwise from these tailings will be satisfactorily resolved by the State before the tailings are used for this purpose.

Senator MOSS. Are you aware of the resolution that was adopted by the Great Salt Lake Authority in the spring of this year, I think it was March, in which they contemplated the lease arrangement on the north end and then continued—and this is the resolving clause—“It is hereby firmly resolved and declared the Congress of the United States and the Utah delegation therein be advised that the Great Salt Lake Authority endorses, approves and recommends the creation and establishment of a national monument on Antelope Island and in furtherance thereof that S. 25 of the 90th session of the Congress calling for the same be enacted by the Congress at the earliest possible time?”

Mr. HARTZOG. I am, sir.

Senator MOSS. You have seen that resolution?

Mr. HARTZOG. Yes, sir.

Senator MOSS. At this particular time and subsequently, have you had any communications with the Great Salt Lake Authority about this arrangement between their operating concessions on the north end in conjunction with the national monument if it were created?

Mr. HARTZOG. I have talked only with the Governor about it.

Senator MOSS. You have discussed it with the Governor?

Mr. HARTZOG. Yes, sir.

Senator MOSS. Is there any outstanding difference or problem that has not been resolved in any of those conversations?

Mr. HARTZOG. No, sir.

Senator MOSS. Getting back to this acquisition cost, I think your testimony is that you have never been furnished the two early appraisals that have been referred to, nor have you had identified to you who those appraisers were?

Mr. HARTZOG. We have had them identified but we have not seen the earlier appraisals.

Senator MOSS. Not the appraisals?

Mr. HARTZOG. We have seen the last appraisal but not the three earlier ones.

Senator MOSS. Do you have the names of the men on the three earlier appraisals?

Mr. HARTZOG. I am sure we do. We have their names as a matter of record. I am not personally familiar with them.

Senator MOSS. If you could furnish their names for the record, I would appreciate it.

Is there game on this island that lives there and stays the year-round, indigenous now?

Mr. HARTZOG. Yes, sir.

Senator MOSS. What are some of the outstanding species?

Mr. HARTZOG. There is a small herd of buffalo there and I am advised there are also pheasant, deer, and chuck.

Senator MOSS. This would indicate there is water year-round for this game to survive, is that correct?

Mr. HARTZOG. Yes, sir.

Senator MOSS. Do you have any other national monuments or parks where the State acts as the concessionaire?

Mr. HARTZOG. I would like to check that, Senator. We have an arrangement at Black Hills and I am not sure whether that is a political subdivision of the State that has the basic concession or the State Historical Society.

Senator MOSS. Maybe I should broaden my question where a State or political subdivision of the State supplies it.

Mr. HARTZOG. I would like to check that out and supply the answer.

(The information requested appears on p. 83.)

Senator MOSS. I would assume if this arrangement were put into effect it would be the Salt Lake Authority operating the concession rather than the State directly.

Is there anything in the public law or in the regulations of the Department to prohibit this situation?

Mr. HARTZOG. Nothing whatsoever, no, sir.

Mr. MOSS. You are conscious of Public Law 89-249 which was enacted by the last session of the Congress, are you?

Mr. HARTZOG. Yes, sir, I am.

Senator MOSS. Has that been construed in any way as prohibiting the State or a subdivision of the State of acting as a concessionaire?

Mr. HARTZOG. On the contrary, it has been construed in the affirmative as permitting it.

Senator MOSS. So any allegation made that the State of Utah would be excluded from being the concessionaire in this because of that particular statute would be in error?

Mr. HARTZOG. That is our view; yes, sir.

Senator MOSS. Can you tell me how long the National Park Service has been conscious of and making any kind of preliminary studies on Antelope Island or this area of the Great Salt Lake?

Mr. HARTZOG. The best records I have indicate that the first study was started in 1959 and the preliminary report was concluded in 1960.

The first conclusions that the Great Salt Lakes illustrates outstanding scientific value worthy of preservation, interpretation, and so forth and so on—and it has a number of conclusions concerning its national significance—was embodied in a study finally completed in 1963 and submitted to the Secretary's Advisory Board which at its meeting, as I indicated, on March 25-27 considered the proposal. The Advisory Board, having considered the extra scientific values associated with the Great Salt Lake and its environment and recognizing that the interpretation of these values could be adequately presented at Antelope Island in Great Salt Lake hereby recommended that Antelope Island or a portion thereof be authorized for establishment and inclusion in the National Park System as the Great Salt Lake National Monument.

Senator MOSS. Was there ever any action taken by the Advisory Board rejecting Antelope Island so far as you know?

Mr. HARTZOG. I have had a search made of the minutes of the Advisory Board and we are unable to find any further action than this right here.

Senator MOSS. This is the national body to which you submit these proposals that are made at various times for a national park, national monument, and other units of the national park system; is that correct?

Mr. HARTZOG. Yes, sir.

Senator MOSS. I think a man from Utah was on the Board at the time this occurred, but how many other members were there on the Board?

Mr. HARTZOG. There are 11 members on the Board, sir.

Senator MOSS. They come from all different parts of the United States?

Mr. HARTZOG. Yes, sir.

Senator MOSS. I think maybe just one more thing on acquisition costs. I understand your testimony indicated that part of the reason the Department testified to a higher ceiling, since this committee makes a practice of putting a ceiling on all new projects that it authorizes, part of the reason for this increased ceiling was a question of whether there might be residual mineral rights that you didn't know about.

Mr. HARTZOG. That is correct.

Senator MOSS. If that is resolved in the negative at least that much could come out?

Mr. HARTZOG. That is correct.

Senator MOSS. What about these other amounts of contingency that were added on in view of the fact that we apparently have at least a seller that is willing to talk? He is not reticent about discussing the problem.

Mr. HARTZOG. I am glad you asked that. It gives me an opportunity, I hope, to try to clarify something.

When we ask this committee for authorization, this does not mean that this is what we ask the appropriation committee for in terms of an appropriation because prior to that, we generally have made one, and sometimes two, and, in a very large and complex area, three appraisals again of the whole area.

As you know, in the process of the authorization, these boundaries are adjusted here and there, severance damages are created because individual ownerships are not known. Our experience over the past few years has indicated that the method by which we were coming up with these estimates was unsound and, secondly, the approach to the land-acquisition program was not adequate in that a significant amount for these contingencies and overhead costs had not been included in the authorization and this is where we ran into difficulty.

When we go to the Appropriations Committee we go sometimes with an option in hand and in any case with an individual appraisal having been made of that tract with the property lines then having been established, so we know approximately what that piece of property is going to cost us. So we have two areas, Mr. Chairman, I am happy to tell you that have been acquired now for less than the authorization that we gave you starting 2 years ago when you gave us these new appraisers to start doing the kind of appraisal job that was necessary.

Senator BIBLE. May I congratulate you.

Mr. HARTZOG. I am grateful to the Congress for doing this because it is making for a much finer program and it is creating a lot less static.

Senator MOSS. As I am sure you know from the record that was made in this subcommittee, I expressed some surprise at this request for increased ceiling and made a statement that I recognized that you were charged with paying the fair value but that the Government

should not pay more than the fair value and this had to be held to that. Then, subsequently, I was furnished with a copy of a position paper on administrative costs of estimating it and there is one particular part of it that I would like to get in the record. It starts near the bottom of the page on this position paper.

"It, however, has been realized there will be exceptions to the general application." Then it gives an example concerning redwood acquisition.

It says:

In these cases a smaller percentage should be used for acquisition costs, say, 1 to 5 percent, or maybe in some cases a flat dollar amount would be used.

Now, would you say this is one of those circumstances where it would appear that the full administrative elbowroom amount is not likely to be needed?

Mr. HARTZOG. I would; yes, sir.

Senator MOSS. Thank you, Mr. Chairman. That is all I have.

Senator BIBLE. The Senator from Wyoming.

Senator HANSEN. You have been very direct, and I know you have a son graduating this evening so I will be brief.

You spoke about there being no need to fence because this is an island. Do I understand correctly that this relicted land connects the island with the mainland?

Mr. HARTZOG. It has a gate across the causeway, or did at the time I was out there, and they simply closed the gate and that way there is no access to it. So they still don't have to fence. I am advised that is still the situation.

Senator HANSEN. You spoke about the appraisal that was made. I think you said it was participated in by the Park Service. I have forgotten the gentleman's name that you gave which indicated that this was a reasonable appraisal and, considering the value of the grazing lands, some people felt that the \$57 an acre was not an unrealistic price.

Mr. HARTZOG. Our chief appraiser agrees with the approach and I have personally sent him to the area to inspect it and he agrees with the value assigned by Mr. Newton; yes, sir.

Senator HANSEN. If my figures are correct, this would indicate that on the basis of running 3,900 head of cattle for 3 months, taking a total value of the land of \$57 an acre, this would put the investment that a rancher would have in grazing land at about \$1,520 per animal unit. Would you say this is a reasonable price?

Mr. HARTZOG. No, sir, I would not say that.

Senator HANSEN. Unless I have made an error.

Mr. HARTZOG. You did not make an error and I do not disagree with your figures. I have gone over this figure many times with our chief appraiser as recently as this morning, and the value of this land is not based on the capitalization of the animal unit grazing there. If you are going to take that approach then it is going to be necessary to consider their holdings elsewhere in the State of Utah and assign a severance. Our rough computations indicate there are 3,900 animals that can be grazed on this for 3 months. If this island is taken and they are restricted to what they now have, in effect we will probably reduce that herd to 2,000—

Senator HANSEN. In other words, they will sustain a severance damage?

Mr. HARTZOG. Yes, and assuming this, we are still in the ball park of around a million or a little better but we are not quite at the \$1.4 million figure I gave the committee. So, in reduction of that figure of yours, there has to be some severance put in.

Senator HANSEN. I have one other question. I think you said essentially that none of these improvements are on the part of the island sought by the State of Utah. Did I understand you correctly?

Mr. HARTZOG. That is my assurance.

Senator HANSEN. Am I right in assuming that the improvements are located where water is? Is there other water available?

Mr. HARTZOG. My understanding is that there is and most of the ranch activity is located here.

Senator HANSEN. There is water available there, then?

Mr. HARTZOG. There is water there and a hydraulic pump.

Mr. HANSEN. I don't believe I have any further questions, Mr. Chairman.

Senator KUCHEL. May I ask, Mr. Chairman, what do you propose to do with this with respect to the hearing? The bill is on the floor.

Senator BIBLE. That is correct. And this record will be kept open for a period of 5 days, or, I should say a week from today, because we are going to be tied up the balance of this week. At that time, and I cannot speak for the chairman in his absence, but I think we have developed a rather full record here on the problems that have been raised as to the valuation, so I think when we read the records together we have a fairly complete record. I would not keep the record open any longer.

Senator KUCHEL. I believe Chairman Jackson asked for some record or information to be filed.

Senator BIBLE. I think we will just keep this record open for a week. This hearing was designed to determine the question of the validity of the valuations that were used, because there were some wide disparities in some of the earlier figures that became very clear as we heard them today and it seems to me with the witness supplied this additional information we will have all of the factual information that is available.

Senator KUCHEL. The only thing that occurs to me is this committee has had two questions before it—the question of policy of establishing a national monument and it has ruled on that.

Then we have a very important question as to value and there is testimony on this that tends to demonstrate a cleavage with respect to valuation.

I want to ask the Director this question: Is this not the sort of thing where a Federal employee would be well minded to consider the possibility of a lawsuit in acquiring that property rather than by negotiation?

Mr. HARTZOG. It very properly could be, Senator.

Senator KUCHEL. I used to be in the government of my State, as you know, and I will tell you we used to have some problems of acquiring property. It is not unnatural, gentlemen, to have people disagree, and I am talking about people who are qualified to make an estimate of value. I simply say, Mr. Chairman, that I believe if this bill were adopted, and there is obviously a very real disagreement as to whether it should be adopted in the Utah community, but if it

were to be adopted, then I would like that the public interests might very well require a lawsuit for the common law judge and jury to make a decision on value. That is the best recommendation I can make at this time. Also I think some of the documents that have not been made available to you should be made available to the committee.

Senator BIBLE. Could you do that in 7 days? We will keep the record open for 10 days.

Mr. HARTZOG. As soon as I can get him, I am going to call the Governor and tell him of the committee's direction and I am going to confirm it in a telegram so I don't see why a week should not be long enough.

U.S. DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, D.C., June 20, 1967.

HON. ALAN BIBLE,
Chairman, Subcommittee on Parks and Recreation, Committee on Interior and Insular Affairs, U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: At the June 12 hearing before your Subcommittee, it was indicated that certain material not then available would be provided for the record. The following is submitted in response to the various requests for additional information:

1. In discussing our land appraisal, you asked that we supply backup material for the record. Following is a further breakdown of that figure:

	Acres	Amount
Island Ranching Co.....	24,862.42	\$1,269,000
Improvements.....		142,000
J. W. Allen and wife.....	160.00	8,000
J. W. Allen and Island Ranching Co., and undivided $\frac{1}{2}$ interest.....	160.00	8,000
John Dooley.....	640.00	32,000
United States.....	223.19	-----
State of Utah.....	80.00	-----
Total.....	26,125.61	1,459,000

2. We were asked on behalf of the Committee to secure the earlier appraisals made for the Great Salt Lake Authority. We were unsuccessful in our attempt to reach Governor Rampton by phone immediately after the hearing last Monday, but we wired him on June 13, specifying the Committee's request. However, the appraisals have not yet been received by this Office. We will transmit this information to the Committee as soon as it arrives.

(The information is printed as an appendix to the hearing.)

3. Senator Moss asked us to supply for the record, "the names of the men on the three earlier appraisals for the Great Salt Lake Authority."

These men were Mark Crystal, Marcellus Palmer, and Haven Barlow.

4. We indicated, in response to a question, that we would ascertain whether the National Park Service administers any area where a State or political subdivision thereof is the concessionaire. We do not.

A question was raised concerning appraisal techniques used in formulating the land cost estimate for Point Reyes National Seashore. We will be prepared to give a full response on this point when the Committee considers the Point Reyes matter.

We appreciate this opportunity to supplement our testimony, and trust that this information is satisfactory.

Sincerely yours,

GEORGE B. HARTZOG, Jr.,
Director.

Senator BIBLE. The order will be a week from today and we will close the hearing now on the happy thought of congratulating the Director in having a son graduate tonight. If he is half as well per-

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GREAT SALT LAKE NATIONAL MONUMENT

APPENDIX

(During the hearing Director Hartzog was asked to secure the former appraisals on the island. The information requested is as follows:)

U.S. DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, D.C., June 21, 1967.

Hon. ALAN BIBLE,
Chairman, Subcommittee on Parks and Recreation,
Committee on Interior and Insular Affairs,
U.S. Senate, Washington, D.C.

DEAR SENATOR BIBLE: At the June 12 hearing before your Subcommittee on S. 25 we were asked to secure, on behalf of the Committee, the earlier appraisals made for the Great Salt Lake Authority.

As we indicated in our letter of June 20 transmitting certain other information to you for insertion into the record, we were unsuccessful in our attempt to reach Governor Rampton by phone immediately after the hearing on June 12. On June 13 we wired the Governor, specifying the Committee's request; a copy of that telegram is enclosed for your information.

Since forwarding our June 20th letter to you, we have received the information requested from Stewart E. Campbell the Executive Secretary of the Great Salt Lake Authority; it is herewith transmitted to the Committee for its use.

We are glad to be of service, and trust that this information is satisfactory.
Sincerely yours,

GEORGE B. HARTZOG, Jr., *Director.*

STATE OF UTAH,
GREAT SALT LAKE AUTHORITY,
Salt Lake City, Utah, June 16, 1967.

Director HARTZOG,
National Park Service,
Washington, D.C.

DEAR DIRECTOR HARTZOG: In accordance with Mr. Harrison's telegram to Governor Rampton of June 13, 1967, I am forwarding the following information to you. Copy of appraisal made in 1964 by Haven Barlow, copy of appraisal made by Marcellus Palmer in 1967 transmittal letter from Mr. Palmer explaining the 1964 and 1967 appraisals. I have contacted Mr. Mark Crystal and a copy of his 1964 appraisal is not available.

He is an employee of the State Land Board and the appraisal is gone from his files. Referring to his notes, he informs me that his appraisal value based only on land sales and value of the land as it relates to a cattle operation is \$23 an acre. This is an appraisal for the land only, no severance or other qualifications of value were used.

It is hoped that the following information will satisfy your needs in the hearing. Thanking you for your help in the past.

Sincerely yours,

GREAT SALT LAKE AUTHORITY,
STEWART E. CAMPBELL,
Executive Secretary.

MARCELLUS PALMER & ASSOCIATES,
Salt Lake City, Utah, June 15, 1967.

Re valuation of lands—Antelope Island

Mr. STEWART E. CAMPBELL,
Executive Secretary,
Great Salt Lake Authority
Salt Lake City, Utah

DEAR MR. CAMPBELL: Reference is made to your telephone call on June 14, 1967 relative to the difference in the valuation of lands between the estimate

of value given to the Great Salt Lake Authority some three years ago, and that placed upon the lands by me currently; and in that regard, may I review for you the following conditions.

When I was first asked to make an appraisal of some 4,500 acres of land on Antelope Island in the fall of 1964, I did visit the Island and also made an investigation as to prices actually received for land in that vicinity. After gathering this information, I reported to the Great Salt Lake Authority that the sales which I had located and that to me represented comparable conditions would give a price actually negotiated between willing buyers and sellers of an average of about \$28.00 per acre. These were sales occurring on Antelope Island and on Fremont Island as well. The sales occurring between March 27, 1957 and November of 1963. In reporting the price of \$28.00 per acre, I indicated that there had been no adjustment on the price per acre figure to account for either time lapse or quality of lands involved. I also reported that in my opinion, there would be severance damages to the remaining lands on Antelope Island because of the resulting break up of an operating livestock outfit. To the mention of damages, Mr. Holt objected indicating there was very limited use made of the lands on the north end of Antelope Island by the Island Ranching Company. From my past knowledge of the operation, I did not agree with this statement. I further indicated that in my opinion there would be damages to the remaining lands.

There was never any mention made by me to the Authority that the price for the lands taken would be \$28.00 per acre inasmuch as the sales had occurred some one to seven years prior to the date for commencing my evaluation in 1964. The adjusting of the market price based upon the sales consummated prior to 1964 was a proper adjustment looking towards an evaluation in 1964, and certainly, adjustments should be made where applicable to give consideration for the difference in the quality of the land between the comparable sales property and that of the subject property.

The same sales were used in my recent report, and it will be seen by checking that report that the first four sales are very comparable to the subject lands certainly as to location, terrain, and general vegetative cover. An average of the four sales certainly would give somewhere around \$28.00 per acre and an adjustment for a comparable date is not out of order at 6% per year. The exception thereto is the 10% per year used on the sale in 1963. From my determination, there has been recently an accelerated rise in the market price of real estate in the Salt Lake and Davis County area. My recent summation, therefore, shows that those sales occurring between 1957 and 1963 do adjust to current market figures of between \$37.06 per acre and \$48.00 per acre. Giving consideration to the quality of the various lands involved, in my opinion, the market price used in my recent report of \$50.00 per acre is not out of line.

From my file, after the verbal report was given to the Authority, I note I was not asked to complete a formal appraisal report. As time progressed and various other circumstances developed, I can appreciate why this was not pursued. Again, in my opinion, there is no disparity between the data gathered in 1964 at the commencement of this appraisal and the report recently furnished to you. The adjustments made on the sales data are still considered to be in order and the price arrived at is proper and just. In fact . . . there has been no consideration given to any potential use of the subject lands for uses higher and more beneficial in the public interest than that of grazing land. The subject lands are involved in a very worth while and operating enterprise . . . that of producing beef for the retail market. This outfit has been developed over a great many years and has various entities scattered over four counties of the State of Utah. Each and everyone of those entities is an integral and important part of the year-long operation of the cattle business of the Island Ranching Company.

To take away or to decrease the operational effectiveness of any one of these important entities will diminish the over-all value of the operation. This was accounted for in my report by making a determination as to the decreased value of the various portions of this operation. The determinations made in my report are proper and considered to be in line with the professional standards of the appraisal business.

If there is anything else in this regard which I might clarify, please feel free to call same to my attention.

Very truly yours,

MARCELLUS PALMER & ASSOCIATES,
MARCELLUS PALMER.

APPRAISAL REPORT

Prepared for: State of Utah Great Salt Lake Authority.
 Property appraised: 4198.55 acres, North end of Antelope Island.
 Prepared by: Haven J. Barlow, Realtor-Appraiser, American Society of Appraisers, 377 North Main Street, Layton, Utah.

DECEMBER 29, 1964.

Mr. NORMAN JOHNSON,
*Assistant Attorney General,
 Salt Lake City, Utah.*

DEAR MR. JOHNSON: Enclosed find our appraisal of the north end of Antelope Island, as per request from the Great Salt Lake Authority. We trust that this appraisal will be satisfactory.

In the future, there might be a supplementary sheet added to this report; however, this is depending on additional research now being made.

Sincerely yours,

HAVEN J. BARLOW.

DECEMBER 29, 1964.

GREAT SALT LAKE AUTHORITY,
Salt Lake City, Utah.

GENTLEMEN: It is at your request that I inspect the property owned by the Island Ranching Company, located on Antelope Island, Davis County, for the purpose of determining the present market value of 4,198.55 acres being condemned for the public use by the Great Salt Lake Authority through the Attorney General for the State of Utah.

The property sought to be condemned is part of an entire parcel or tract containing approximately 30,000 acres, of which the above 4,198.55 acres are located on the north end of the island.

In an attempt to arrive at a value of the subject property, sales of lands having similar features were analyzed and considered. Also, your appraiser analyzed the sales of certain properties which could provide a substitute for the lands taken in question.

The highest and best use of such property being condemned is for ranching operations. It is the opinion of the appraiser, that the taking of the north portion will not seriously impair the economical and continued operation of the ranching operation; although, the actual taking will present some adjustments in the operation. The balance of the land can be sold for at least the same price after the taking as before the taking.

The actual benefits to the entire operation and balance of the land, one of which is the construction of the all weather road to the north end of the island, will more than off set any severance damage, if any, to the remaining acres.

I hereby certify that I personally have examined the property herein appraised, that I have no present nor anticipated future interest therein that my employment as an appraiser is not contingent upon my estimated value that to the best of my knowledge and belief the general statements are true and accurate.

The appraisal does not take into consideration the owners interest if any in adjoining reliction lands. The appraisal involves the analyzation and interpretation of data obtained from sources believed to be accurate. After completing the research and inspecting this property, it is my opinion that the total value of the land taken, as of November 25, 1964, is: \$100,765.00.

Sincerely yours,

HAVEN J. BARLOW,

Realtor-Appraiser, Member, American Society of Appraisers, National Appraisal Organization.

APPRAISAL REPORT, STATE OF UTAH, GREAT SALT LAKE AUTHORITY, NORTH END OF ANTELOPE ISLAND

LOCATION OF THE PROPERTY

The property being condemned contains 4,198.55 acres of grazing land, located on the north end of Antelope Island in Davis County. The actual island is located approximately 25-30 miles West of Salt Lake City. The area is reached by county road southwest of Salt Lake City, just a few miles west of the Airport; and the balance of the area is reached by a private road, which is dirt and unimproved.

Travel is hard and long, involving several stops at ranches for the opening and closing of gates.

A dike built several years ago connects the mainland to the island. This dike is passable. The dike is approximately three miles long. Several ranches must be crossed and gates closed before reaching the three mile dirt dike that separates the mainland from the island.

The public is not permitted on the privately operated island and special permit is required. Entry is prevented by a guard at the entrance of a privately owned duck club and a locked gate at the end of the dike at the entrance to the island.

DESCRIPTION

Recorded owners: Island Ranching Co.	
In Township 4 North, Range 3 West:	Acres
All of sec. 19.....	3. 20
All of sec. 29.....	0. 08
All of sec. 30.....	244. 57
All of sec. 31.....	640. 00
All of sec. 32.....	548. 88
In Township 4 North, Range 4 West:	
All of sec. 24.....	9. 92
All of sec. 25.....	287. 15
All of sec. 35.....	315. 83
All of sec. 36.....	616. 11
In Township 3 North, Range 4 West:	
All of sec. 1.....	153. 26
All of sec. 2.....	53. 45
In Township 3 North, Range 3 West:	
All of sec. 5.....	640. 00
All of sec. 6.....	626. 10
Commencing at the north quarter corner of section 8, township 3 north, range 3 west, SLB and M and running east along section line 30 chains; thence S 36° 52' W, to the center of section 8; thence north 40 chains to the point of beginning, containing.....	60. 00
Total.....	4, 198. 55

Antelope Island is about 16 miles in length, and its greatest width is about five miles—tapering off on each end. On the west side there are many little coves and precipice canyon. On the north end of the island is a natural beach approximately 2 miles long, which has deep beach sand extending back some several hundred feet from the lake. This is called Crystal Bay. To the west is a rocky point called Buffalo point. To the south of this point is a natural bay called White Rock Bay. This bay has little natural beach sand. At the extreme northeast of Crystal Bay is Egg Island.

There are eight islands within the confines of the Great Salt Lake, the largest of which is Antelope, which is also the most important.

The Antelope Airway Beacon (abandoned) is located near the south end of the parcel which is being taken for public use. From this area the land slopes gently towards the lake on the north end. The highest elevation on the entire island is about 5,000 feet and approximately 4,200 feet at the shore line. The rocky outcroppings are more prevalent on the center part of the island.

The cover found on the island is mainly cheat grass, which provides good feed particularly in the early part of the year. Some wheat grass, blue grass, and the rest would be commonly called weeds. No trees are evident on the north side of the island. The slope of the ground towards the north makes for good feeding and less burning. The center and west part of the island is rough, and part of this would not be accessible to cattle grazing. Sheep could utilize more of it. There are rabbit and sage brush throughout the entire island. The center of the area taken is very heavy with cheat grass. There is a supply of water on the north end which is ample for the ranch operation. Several small springs are on the north-east side, one of which is known as Buffalo Springs. Not far from the east side of Buffalo Point and a short distance from Crystal Bay is a small spring which provides small amounts of water which are sufficient for grazing purposes in this general area.

GENERAL INFORMATION

The island has always been used for ranching operations ever since the L.D.S. Church in 1849 took possession of the land and used it as a herding ground. Originally, there was a herd of antelope on the island; and, as such was the reason why it was named Antelope Island. In the past, it has been called Church Island and Buffalo Island. In the early days, it was also used as a place to relax and for pleasure.

There are now on the island a herd of Buffalo. One of the old homes standing today is located on the island as the headquarters of the ranching company. It was built in 1849 and is still in use today.

HIGHEST AND BEST USE OF THE PROPERTY

It is the opinion of the appraiser that the subject property, being used in connection with the overall operation of the ranching company, is the highest and best use. The value of the property taken must take into consideration this value in relationship to the highest and best possible use as it is now, as of this day, date of condemnation 11-25-64.

It is also the opinion of the appraiser that the north end of the island does have another good use; such as recreation, if and when certain things are completed, and when some strong and capably responsible organization puts such a plan into operation.

Good passable access from the mainland is the first item that must be completed to begin to improve the highest and best use of this parcel of land, which is located at the north end of Antelope Island. The next step would be to assure adequate water supply for this use. Next would be adequate roads on the north part of the island. After these items are completed, it would be the opinion of the appraiser, that much of this area could be changed from its highest and best use of Ranching to that of recreation.

Island Ranching Company operates the island in its highest and best use. This island provides the base for a large cattle operation, one of the largest in the State of Utah. This company owns approximately 50,000 acres; of which 30,000 acres are located on the island, and the other 20,000 acres are located at summer range in Summit County. Out of this 20,000 acres, 5,000 acres are leased land and 17,000 acres, more or less, are deeded land.

Approximately 571 acres are located in Utah County and are operated as irrigated pasture. Here in Utah County, approximately 1,500 head of cattle are wintered; and, in the early spring, around April 1, 1,300 head are taken to range on Antelope Island for 60 days before being taken to the summer range in Summit County.

Approximately 700 head of cattle are wintered on Antelope Island from November to June each year. Only a handful of cattle are left on the island during the summer. Near the 10th of June each year, approximately 1,300 yearlings and 700 cows leave the island for the summer. About 100 bulls are left at the Utah County ranch. About 400 head (heifers) are summered in Idaho each year. All in all, the total cattle operation comprises approximately 3,500 head, including calves, each year.

It is generally acceptable among cattle and sheep men that a range which can hold cattle or sheep most of the year round is just as valuable, if not more valuable, than ranges which can only be used for a few months of each year, such as Spring and Summer range. Nevertheless, for good year round operation a well run and efficient operation requires fall, winter, early spring, late spring, and summer range. Without each type of range the operation becomes less economical. In my opinion, the Island Ranching Company has a very good operation. The island provides a good fall range, better than average; and good winter range with a very good early spring range.

One of the real benefits of the Antelope Island range and the south side of Promotary Point is that the grasses are earlier than most other areas, thus permitting the animals earlier feeding. Because of the lush growth of early cheat grass in the spring, the animals can remain longer at the island before going to summer range. Many operators must place their cattle and sheep on spring range in higher elevations around May or June, if they do not have a good early spring range at a lower altitude. Antelope Island provides an excellent winter and early range combination, of which very few areas can boast; therefore, it is only necessary to provide a good summer range in connection with the island property. The present spring range means earlier calves and larger calves in the fall, and less fatality during summer months.

INTERPRETATION OF DATA

The actual taking of the 4,198.55 acres of range land on the north end of Antelope Island by the Great Salt Lake Authority, acting in and behalf of the State of Utah, is taking approximately 14 per cent of the land area of the island. This would still permit remaining lands sufficient to carry out and maintain herds in an economical manner. Certain adjustments will have to be made; but, it is the opinion of the appraiser, that the value of the land after the taking is the same as before the taking.

The question remains, whether the actual taking of the land will cause increased traffic from public use to make the remainder of the property less valuable per acre. With the installation of a non-access fence from the east side of the island to the west side, providing access only to the owners of the land and providing a fire break between the fence and the owners property, would provide no severance damage to the remainder of the land, in the opinion of the appraiser. In fact, providing an all weather road to the island will provide for the owners; such as better and faster fire protection to take care of a holocaust, such as when most of the island was burned off by fire as a result of lightning two or three years ago. Also, faster access to the island by the owners for present use and possible other future uses. Therefore, it is the opinion of the appraiser, that no severance damage will fall on the remaining property, as a result of the taking for the land in question.

Never has there been such great interest concerning the potential development of the Great Salt Lake as we have experienced in the past few months. Antelope Island is in the center of one of the large natural resources of Utah. More and faster accessibility to these remote areas through better roads and development of water and other improvements, will have an effect of increasing remaining property values instead of lessening such values.

ESTIMATED VALUE OF LAND TAKEN

Value of land taken: (4,198.55 acres at \$24) \$100,765.20.

The above estimated value does not include the owners' rights, if any, in adjoining reliction lands.

Comparable sales regarding the north end of Antelope Island

Location	Date	Acreage	Price per acre
Antelope Island:			
(Sec. 6)	1957	28.11	\$30.00
(Sec. 18)	1958	150.00	25.00
(Sec. 4)	1959	147.08	25.00
Fremont Island	1960	491.00	26.47

Plus recent sales of rangeland which could be used in lieu of lands taken. These sales are on file.

MARCELLUS PALMER & ASSOCIATES,
Salt Lake City, Utah.

Mr. STEWART CAMPBELL,
*Executive Secretary, Great Salt Lake Authority,
Salt Lake City, Utah.*

DEAR MR. CAMPBELL: In response to your request, we submit herewith my opinion of the "Fair Market Value" of 2,000 acres of land on the extreme north end of Antelope Island which is sought by the Authority through legislation passed in 1963 and amended or supplemented thereafter. It is understood that this land belongs to the Island Ranching Company and the State of Utah is intending to develop the property for a state park.

The subject property involved in this report is a part of the holdings of the Island Ranching Company. The here considered property is confined entirely to Antelope Island located in the exterior boundaries of the Great Salt Lake. The portion hereunder consideration is located in Davis County, State of Utah.

I have inspected the property in detail, both as to the grazing lands involved on Antelope Island and the complete ranching properties and facilities otherwise owned by the Island Ranching Company. I have gathered a great amount of information and data and have analyzed this information to the preparation of

this Appraisal Report. Based on the limited conditions and assumptions included herein and the information also reported, it is my opinion that the "Fair Market Value" of the 2,000 acres herein considered as the subject property as of April 1967 and using the comparable sales approach together with severance damages, is \$172,657.80.

Respectfully submitted.

MARCELLUS PALMER, *Member, ASA.*

STATEMENT OF LIMITING CONDITIONS

This Appraisal is made with the following understanding:

(1) No responsibility is assumed by me for matters that are legal in nature, or for matters covering engineering descriptions or opinions, nor is any opinion on the title to the property rendered herewith. This Appraisal assumes that the title to the property is good and marketable. Any liens or other encumbrances which may now exist have been disregarded and the property has been appraised as though there were no delinquencies in the payment of the general taxes or special assessments.

(2) This property has not been surveyed at my direction to establish facts of legal description or total acreage involved or exact dimensions involved and therefore the area as reported herein as taken was given me and is assumed to be correct.

(3) No consideration has been given in this report as to easements, if any, or rights-of-way over, upon, or under the parcels, unless specifically mentioned herein.

(4) This Appraisal presumes that the use of or development of the tract is in accordance with all National, State, and County ordinances, laws and regulations, or restrictions and further presumes that the owners have full and unrestricted use of the water that rises on, flows across, or is stored thereon, along with the rights to the use of any rights-of-way, in anyway involved therein.

(5) I have no past, present or contemplated interest in any of the land and I want to state that neither my employment to evaluate the properties nor the compensation for my services have in any way influenced the valuations stated herein. The fee for my services is contingent upon only the delivery of the Appraisal.

(6) Maps are here enclosed which show the area location, the survey detail, the topographic features, the subject tract and adjoining lands as well as maps of other portions of this ranch operation. The plats and maps shown herein are a part of the public record maintained by the appropriate and responsible government agencies and it is assumed by this Appraiser that the plats and maps show properly what is purported to be shown thereby.

PURPOSE OF THE APPRAISAL REPORT

PURPOSE

In September of 1963 I was contacted by the Great Salt Lake Authority and contracted to conduct the necessary field investigation and record research relative to the determination of the "Fair Market Value" of certain lands located on the north end of Antelope Island—Davis County, Utah in order to determine what the value and damages, if any, would be should the State of Utah desire to acquire these lands.

The land involved includes certain grazing lands on Antelope Island which are used for the grazing of livestock and certain game animals and the forage cover is primarily that of native vegetation consumed by the grazing animals. From my own information, I know that this land has been used for the grazing of livestock for many years and during that time this use was the highest and best use to which these properties were adapted.

In discussing the proposed Appraisal with the members of the Great Salt Lake Authority, it was evident that the Authority needed to know what the "Fair Market Value" of the lands was and whether or not the separation of these lands from the balance of the ranching operation would create any damages to those remaining lands. At that time, the proposal was to acquire some 4,500 acres of land also on the north end of the Island. As mentioned above, these lands have been used for the grazing of livestock, both sheep and cattle for many years.

HIGHEST AND BEST USE

After completing the field investigation in connection with the physical location of the subject property and considering the accessibility to the mainland of either Salt Lake or Davis Counties and considering its proximity to the inhabited areas of both counties and its adaptability not only for the livestock operation now being conducted but also its use for other purposes, higher and more beneficial to the public interest, it is my opinion that the highest and best use of the subject property is for the development and operation of a public park suitable for use by the public at all seasons of the year.

From my examination, I found that the property was not only adaptable for the continued use as part of a livestock enterprise, but also that the property had a very unique adaptability for uses more highly beneficial to the public interest. This would also include outdoor recreational usage providing other properties were acquired or arrangements made with the owners for those recreational uses. Without proper arrangements or additional acquisition, those recreational uses would not be compatible with the livestock enterprise now being and heretofore conducted on the Island.

NATURAL FEATURES

The subject property is located within the boundaries of the Great Salt Lake and in the extreme west portion of Davis County. The north end of Antelope Island is located some six miles from the mainland near the community of Syracuse—Davis County and the south end of Antelope Island is located some 2½ miles from the mainland directly west from the community of Woods Cross—Davis County. Heretofore, access to the Antelope Island has been accomplished from a private roadway extending from the mainland to the Island near the extreme south end of the Island. This roadway has been reached by crossing other private property in northwest Salt Lake County to the main access to the Island road which is located on a dyke or fill constructed some years ago between the mainland and the Island. This road is usually an all-weather road that is privately owned and controlled as well as the access road leading to what has been commonly called the Antelope Island Fjord. Years ago when the Great Salt Lake totally surrounded the Island, access was gained only by use of a boat. The major part of the Island is occupied by a mountain which was an up-thrust from the formations below and some fresh water is found on the Island coming from springs while some of the water sources are brackish.

Some of the property on the east side is used for the production of cultivated crops. These crops include hay and grain that is used in the conduct of a large livestock operation. Because of the vegetative growth and the elevation of this property, very few stock are kept on the Island during the summer season. The vegetative cover dries early. Therefore, livestock do not develop well under those circumstances. It is, however, an excellent area for either cattle or sheep during the spring and fall grazing seasons when the livestock are being taken to and from the high summer range in Summit County or the winter range properties in Tooele County. No water is available for irrigation. Therefore, when the seasons are extremely dry, it is necessary to supplement the forage supply by the transporting of hay or grain from the Company's ranch properties in Tooele County.

Considerable work has been done in past years in the development of cultivated lands, the development of additional water sources and in the construction of improvements necessary in the conduct of the range livestock enterprise. Considerable seeding has been done in the developing of additional grazing forage for livestock. Most of these seedings, where a good soil is available, have been highly successful. The Island has contributed greatly to the livestock enterprise of the Island Ranching Company and to the general economy of the County and communities in which the Company conducts their business.

ECONOMICS

In studying the past, present, and future use of the subject land, this Appraiser has made a personal inspection to determine the important features of the subject property which might be used or developed for uses other than that to which the property is now being used. The continuance of the range livestock enterprise is certainly first and foremost in importance as far as the owners are concerned. Considering the investment which they have in some range lands in Summit County, winter range and ranch lands in Skull Valley and also the irrigated property which they own in Payson where the weaner calves are wintered. This

property contributes a great deal to the value of the year-long ranch livestock operation. The trend for many years in the field of agricultural operations has been that of increasing the size of the ranching unit and this is true as far as the Island Ranching Company properties are concerned. Other properties have been acquired to round out the complete years operation. Therefore, Antelope Island is a very important part of Island Ranching Company's operations. The entire holdings have been in the process of acquisition and development for many years and they now have what is considered to be an economic unit. Loss of a portion of the economic unit will certainly affect the value of the remaining holdings. A livestock enterprise of the State of Utah still remains an important part of the general state economy and considering the percentage of the state which is valuable mainly for agricultural purposes makes it important to continue the economic unit on a balanced basis.

Antelope Island serves as the base headquarters for the Island Ranching Company operation which primarily covers the farm, range, ranch and lease properties for the production of feed and forage for approximately 1,325 breeding cows. The yearling steers and heifers are kept on the operation until they are at least eighteen months of age. The market steers are then sold to market or are placed in a feed lot. Along with the 1,325 cows, there are at least 1,200 or more calves each year and for the year 1967 there are an additional 1,427 head of yearlings and 70 head of bulls. At the present time this outfit has 4,005 head of cattle which they are planning to carry through the 1967 season.

During the spring season of 1967 there are about 2,900 head of cattle on Antelope Island and the major part of the grazing forage is obtained at this time of year from the extreme north end of the Island. These cattle will stay on the Island until about May 31. The major part of these cattle have spent the winter season on Antelope Island. It is, therefore, a most important part of this cattle operation.

Another most important part of the Island Ranching Company's holdings is their Skull Valley Ranch which includes 2,960 acres of deeded land plus a BLM ten-year permit dated July 1, 1962 for 45 head of cattle for the season December 1 to March 31 100% federal range or 180 AUMs. The combination of the deeded land and permit in Skull Valley serves as a winter headquarters for 500 head of cows and they spend the season from December 1, to May 10. At this time these cows have calves by their side and are then taken to the Castle Rock range where they spend the summer. In addition to the aftermath for grazing and the permit aforementioned on the Skull Valley range, there is produced from 1,250 tons of alfalfa hay. This is used to supplement the feed the cows at the Skull Valley ranch and some portion when needed is hauled to Antelope Island to supplement the winter feeding there.

The Castle Rock range includes a block of deeded land totaling 16,371.13 acres. This includes some meadow land where about 60 tons of hay are produced for feeding their saddle horses and the cattle in emergency conditions. In addition to the deeded land at Castle Rock, there is a lease on the Moore Ranch of meadow pastures and adjoining grazing land. This property is entirely used as grazing land for which the Company pays \$775.00 lease per year.

The Island Ranching Company also has a lease with the Howells Livestock Company covering their Rigby Ranch meadows. The Island Company grazes 210 head of cows and 190 head of yearling heifers on the Rigby Ranch for which they pay a net of \$1,090.00 for the period from June 1 to September 30 each year and in addition, the Island Company does the irrigation and necessary ditch repairs at their own expense.

The Island Ranching Company also has a lease on the Horvorka Ranch on Bear River which includes 3,360 acres of meadow and range pasture land for which they pay a rental of \$6,500.00 for the season of June 1 to September 30 for 800 head of yearling steers and in addition 109 head of cows spend the summer season and until November 1 of each year. This lease also covers a lease on Section 33 adjoining the Horvorka property from a party by the name of Roylance. The rental on this land is in proportion to the range rental on the Horvorka property.

The Island Ranching Company also has a permit on the national forest located on the East Fork of the Bear River for 109 cows from June 1 to October 1. Grazing fees common in the area are paid to the Forest Service for this grazing privilege.

The Island Ranching Company also has a pasture agreement with Roland Preston Allen of Soda Springs, Idaho for 400 or more head of yearling heifers for the summer season. This property is located north and east of Soda Springs and adjoins the Blackfoot River. These cattle spend the season from June 1 to September 10 at a rental rate of \$10.00 per head for the season. These cattle then go directly to market.

Another property owned by the Island Ranching Company is irrigated farm land located at Payson, Utah County, Utah. The irrigated property at Payson includes 550 acres and on this land they produce 665 tons of alfalfa hay and some 400 tons of grass hay. About 40 tons of grain and 2,875 tons of silage. The Payson Farm serves as a winter headquarters for about 1,600 head of cows, calves, and yearlings. In addition to the Payson Farm, the Company now owns and operates a feed lot separate from the farm to the west of Spanish Fork. This property is located in the NE $\frac{1}{4}$ of Section 26, Township 8 South Range 2 East and was purchased from the Vermillion Cliffs Cattle Company. The major part of the crop production at the Payson Farm is prepared for transporting to the livestock feed lot west of Spanish Fork.

It is very evident from a study of this complete ranching operation that each and every part of the ranch property plays an important function in its complete activity. Even though the various parts are scattered over considerable distances, this has been necessary in meeting the feed and forage requirements of the seasonal changes in the weather. Rarely now days is it possible to develop a ranching operation here in the west where the total livestock enterprise covering a yearlong business is in one contiguous block of land. The more choice summer ranges are found where the snow is deep during the winter. The migration of stock from desert conditions for winter to the high ranges for summer then necessarily creates the distances between these extreme locations.

To have a balanced operation where a given number of livestock are ranged on a yearlong basis, then feed sources have to be accumulated in operating units to care for the livestock during each of the four seasons. This must be done far in advance of the seasonal need and the most security of the operation comes with complete ownership of the basic land blocks. Improvement of the lands for highest production can be best accomplished through fee title ownership.

DESCRIPTION OF SUBJECT LANDS

Inasmuch as the exact description of the lands being taken by the State of Utah has not been determined except by definite location and acreage, a description is not attempted in this report. A map of Antelope Island is included herein as an exhibit and on this map the 2,000 acres being sought by the State are set out in a red color. The division boundary has been approximated by estimation using known locations and agreements. By use of a planimeter, the acreage thus set out on the north tip of the Island has been measured and determined to be approximately 2,000 acres.

The lands shown on the north end of Antelope Island, approximating 2,000 acres, are thus herein referred to as the subject lands and it is this property that has been studied and an estimate of "Fair Market Value" made. This property is an important key to the whole cattle operation of Island Ranching Company because of the forage produced thereon and the season of the year that cattle are supported there. Other maps are included herein to more clearly represent the complete yearlong holdings and operation of Island Ranching Company. All feed and forage produced on the fully owned or leased properties are converted to feed the stock run on this unit. This includes not only the native vegetation but also hay and grain supplements.

PRECIPITATION

It is noted from studying the records of the precipitation on Antelope Island that a station has been maintained there for several years which gives the data by months through the years of the records. This record indicates that a low of 10.60 inches was received in 1958 and a high of 21.44 in the year 1957. From the period of 1952 to 1960 the average precipitation was 14.80 inches.

Even from this average figure it is noted that several grass seedings tried on the Island which have been most successful. This evidence would indicate that grass production for forage is a worth while crop.

Since there is a good stand of native grasses found on the Island which are certainly adapted to the climate, elevation, soil, moisture, and exposure, it is very questionable whether a seeded stand would produce more than the native species. Because of the elevation, the forage matures early. This could not be extended without irrigation. The most desirable use to make of the Island then is for the grazing of livestock. It is a most ideal place for the headquarters of a cow outfit.

From study of the reporting stations around the Island, namely Bear River Refuge, Garfield and Lakeside, an indication of the natural precipitation is noted. (See exhibits hereafter.) There is no question but what the annual precipitation varies from one place to another on the Island. It is there in order to consider the surrounding stations in determining what can be expected as an average precipitation over the whole Island. From the data thus assembled it would appear that the average precipitation would be about 12.00 inches per year.

By its unique location, there is no trespass, no predators, no mixing with other stock, no water shortage, no feed shortage for the time of year when it should be grazed and is most valuable because of these unique characteristics. Value in grazing lands comes from the forage they produce, available water, protection in adverse weather, use and adaptability as base for grazing permits and security of investment. Antelope Island then, is an important segment of this cattle operation having been the nucleus around which the complete operation was formed.

APPROACH TO VALUE

In determining the proper approach to the evaluation of any given property, several factors must be taken into account. 1. What is the highest and best use. 2. What is the current use. 3. Sales activity in the area. 4. Speculative market activity. 5. Prospective use in the near future and how near that use is to the date of evaluation, and 6. What is the reason for the appraisalment. All these items must be given consideration.

The three most common methods of approaching the valuation of a given property are Market Data, Income, and Cost of Replacement. The Cost of Replacement approach is more adaptable where a condemnation is in the making. If land can be purchased to replace that taken, then the value of the subject land is equal to that of the available tract providing all other factors are equivalent. If a condemnation taking is not prevalent or there is no property available to replace a tract being taken, then the Cost of Replacement is not an acceptable method of approaching an evaluation.

In the subject case, this is a fact. Cost of Replacement is not applicable to this case. The Income Approach is an acceptable method where income has been derived from a given property to determine what that property is worth on the market at any certain time. By capitalization, the value of a property can be determined if the income it has produced is known. In certain properties, however, mainly agricultural, the income has not kept pace with the market value of the property. Where ranch property is producing a return of 2% on the investment which is very common here in the Great Basin, this return would not capitalize to a value equal what livestock properties are actually selling for.

Many livestock ranches are not returning on the investment, even half of what is allowed for utilities or by our industrial firms. For this reason, the income approach is not considered a proper method for this case. The influence of sporting, outdoor recreation, mountain cabins, along with camping and boating, demands have had an effect on ranch land prices to the point where they are too costly for a paying ranch operation.

Where the cost of replacement and income approaches are not usable then the remaining approach available is that of Market Data.

The determination of the "Fair Market Value" by the Market Data approach is considered a proper method in the instant case. By this method, sales of property considered to be comparable in all major items are located and adjusted for time as well as any other factor that does not give comparable circumstances. From this comparable data a price per acre is arrived at which represents the "Fair Market Value" of the land in question.

Sales are listed hereafter covering land on Antelope Island. These lands are fairly comparable to the subject land except for one item; and this is the matter of forage covering capacity. The north end of Antelope Island has a loamy soil and produces more than three times the forage per acre as does the average land on the mountainous portions.

Summary of comparable sales

SALES OF ISLAND PROPERTY

No.	Year	Acreage	Sale per acre	Adjustment (percent per year)	Adjustment per acre
1	1957.....	28.11	\$30.00	6	\$48.00
2	1958.....	158.0	25.00	6	43.50
3	1959.....	147.08	25.00	6	42.00
4	1963.....	491.0	26.47	10	37.06

SOLD AS GRAZING LAND

5	1966.....	40.0	1,500.00	None	1,500.00
6	1966.....	700.0	1,000.00	None	1,000.00
7	1965.....	3.0	2,500.00	(1)	2,800.00
8	1964.....	425.07	1,500.00	(2)	1,770.00
9	1966.....	8,000.0	100.00	None	100.00

Sales on east shore property—on mainland.

Sold as industrial or commercial property.

¹ 2 years.

² 3 years.

Considering the above sales which are indicative of the sales activity in the general area, it is evident that a market exists that sales are made and that the trend in price is upward everywhere. Sales numbers 1 to 4 and number 9 are very similar to the subject land; with the first four being of Island property and using the commonly accepted rise in real estate values of 6% per year, we then have a range of from \$37.06 to \$48.00 per acre. In the opinion of this Appraiser, sale Number 1 most nearly compares with the subject land.

Considering also the fact that Antelope Island or Fremont Island require no expense of building or maintaining boundary fences, there are no neighbor problems, no mixing of stock, full freedom of movement, no predator problems, either from animals or from human poachers. The fact that it is isolated is ideal for operating livestock. It is unique as an operation and actually worth more on the market than similar lands not located as favorably. The property also has value to the owner for its historical and geologic distinction.

In the opinion of this Appraiser, as of January 1, 1967, and considering the sales data gathered and other factors shown herein, that the subject 2,000 acres was worth \$50.00 per acre and that the taking of said land causes an economic loss to the value of other property in this operation. This loss in value is covered in the form of severance damage or diminution of the value of the remaining lands. A summary of the value of the property to be taken and damage to the remaining is given hereafter.

ISLAND RANCHING CO.

Value of property being taken: north end of island, 2,000 acres at \$50 per acre-----		\$100, 000. 00
Damage to the remaining lands: Island ranch and range, 28,000 acres at \$40 per acre-----		1, 120, 000. 00
Skull Valley Ranch:		
320 acres at \$80-----	\$57, 600. 00	
2,640 acres at \$15-----	39, 600. 00	
180 animal unit-months at \$15-----	2, 700. 00	
		99, 900. 00
Castle Rock Ranch: 18,000 Acres at \$30-----		540, 000. 00
Payson farm and feed lot:		
20 acres at \$1,500-----	\$30, 000. 00	
543 acres at \$1,000-----	543, 000. 00	
		573, 000. 00
Forest permit, East Fork Bear River, 109 head cattle at \$100----		10, 900. 00
Total-----		<u>2, 343, 800. 00</u>
Carrying capacity of all property (animal unit-months)-----	28, 227	
Carrying capacity of 2,000 acres (animal unit-months)-----	888	
Percentage of total (3.1 percent)-----		72, 657. 80
Total-----		<u>172, 657. 80</u>

CERTIFICATION

I, the undersigned, do hereby certify that to the best of my knowledge and belief, the statements and opinions contained herein are full, true and correct, and that no attempt has been made to overlook, hide, or subordinate any pertinent information.

I have no past, present or future interest in this property and want to state that my employment to evaluate the subject property or the compensation which I will receive has in no way influenced my opinion of value. My fee is contingent upon the delivery of this report of appraisalment.

My estimate of the "Fair Market Value" together with damages to the remaining, as of May 1, 1967 is: \$172,657.80.

MARCELLUS PALMER,
Member, American Society of Appraisers.

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