Preliminary Investigation Report

Home Supply Watershed
Colorado
W.K. Kershner

Thanks for all your trouble changing these applications.

I am attaching one of the signed copies for your files.
The applications went to the Soil Conservation Board until
they are sent in to Washington for approval for planning. At
that time the Board is supposed to sign and send one to you.

Kib
April 4, 1980

Mr. Kenneth E. Chalmers, State Conservationist
321 New Customs House
Denver, Colorado

Dear Mr. Chalmers:

Subject: Consolidated Home Supply Ditch and Reservoir
Company Project

To support the application for assistance in planning and carrying out the works of improvement under the Watershed Protection and Flood Prevention Act which was submitted to your office on March 24, 1980, we are submitting the following information as required in your Watershed memorandum 308-33 dated November 21, 1969. This memorandum requires that the sponsoring local organization should consult with officials of the Bureau of Reclamation and have complete understanding of the planning and structural assistance they can give.

Mr. W. R. Keirnes, Supt., of the Company; R. G. Wilson, Area Conservationist, and Kermit L. Carson, Watershed Planning Party Leader, and I met with Mr. Wayne M. Stanley, member of the Regional Office Staff of the Bureau of Reclamation who is in charge of their small projects program under Public Law 984.

We discussed with Mr. Stanley the project needs of watershed land treatment and improved water management, the need of additional irrigation water storage, and improvement of existing delivery systems for irrigation water. Mr. Stanley gave us a run-down of the assistance which can be given by the Bureau of Reclamation under their Small Projects Act and stated that they could give assistance on all of our needs except that of land treatment on the watershed lands. He also indicated that all engineering costs of planning and construction would have to be paid by the sponsors under the Small Projects Act; which of course is more than that required under the Public Law 986.

We wish to state to you that as provided under paragraph 7 of the Watershed Memorandum 308-33 that after consultation with the Bureau of Reclamation officials, that we believe: (1) assistance under the Small Reclamation Projects Program would not meet our project requirements, (2) the contemplated improvements are not the nature commonly provided under the Small Reclamation Projects Act, and (3) We will not seek assistance under the Small Projects Act on the basis of any engineering plans prepared by the Soil Conservation Service from funds made available under the provisions of Public Law 596.

Very truly yours,

[Signatures]

R. G. Wilson
R. L. Carson
C. E. McRimmon
R. C. McDaniels

George W. Eec, Pres., Consolidated Home
Supply Ditch and Reservoir Co.
loans under the

SMALL RECLAMATION PROJECTS ACT of 1956

U. S. DEPARTMENT of the INTERIOR
Bureau of Reclamation  NOVEMBER 1959
SMALL RECLAMATION PROJECTS ACT OF 1956

The Small Reclamation Projects Act of 1956 (August 6, 1956, 70 Stat. 1044 as amended June 5, 1957, 71 Stat. 48) established a program under which certain types of organizations can obtain loans for small reclamation projects and grants for those portions of the projects that are nonreimbursable as a matter of National policy. The portion of the loan attributable to the irrigation of lands held in 160 acres or less in a single ownership, is interest free. A copy of the Act, incorporating the amendments, is attached.

The following information is provided for the use of organizations interested in knowing of the scope of this program and the initial steps required to obtain a loan or grant. It is not intended to provide full instructions for those intending to prepare an application. For further information, interested organizations should consult the appropriate Regional Director of the Bureau of Reclamation. A list of the Regional Directors is attached.

What is a Small Project?

A small project may take either of two forms. It may be a complete irrigation undertaking or a distinct unit of such an undertaking, similar to what might be constructed by the Bureau of Reclamation under the Federal Reclamation laws, with a total cost not in excess of $10,000,000. Or, it may be a rehabilitation and betterment program for an existing irrigation development, with a cost not exceeding $10,000,000.

How large a loan may be made?

The limit of the Federal funds that may be provided is $5,000,000 minus the amount of the local contribution that must be financed by means other than the Federal loan and grant. This limit applies to a combination of a loan and a grant or to either.

For what purposes can grants be made?

Grants may be made for flood control and fish and wildlife purposes where these are of general public benefit. Such grants can be made up to a maximum of $5,000,000 for a single project, but the combination of a loan and grant cannot exceed this amount. Grants may be made even if no loan is requested, provided that irrigation is clearly the primary purpose of the proposed project and the applying organization will pay the irrigation costs.
Who may apply for a loan?

In referring to an organization which may obtain a loan, the law says:

"The term 'organization' shall mean a State or a department, agency or political subdivision thereof or a conservancy district, irrigation district, water users' association, an agency created by interstate compact or a similar organization which has capacity to contract with the United States under the Federal Reclamation laws."

An individual or an unorganized group of individuals cannot be given a loan or grant. Likewise, in general, irrigation companies or similar private organizations cannot be given a loan, but in some instances their status under state law might permit them to qualify. However, it may be practical for groups of individuals or companies to adopt a form of organization under state law that can be considered as an applicant for a loan.

In case of doubt as to whether an organization can qualify, consult the Regional Director of the Bureau of Reclamation. In some cases, the matter may have to be referred to Washington, D. C., for determination, but this referral should be made by the Regional Director.

Does it cost anything to apply for a loan?

Yes. A proposal must be accompanied by a check for $1,000 when it is submitted to the Bureau of Reclamation, to cover a part of the cost of the review and processing of the application. In addition, all costs of making the necessary investigations and in preparing the application report are borne by the applicant. These costs are substantial.

Can an organization obtain several separate loans?

Not for a single project. Likewise, no more than one organization may obtain a loan for the same project, but two or more organizations may combine in a joint venture to make a single application for a single loan. The law specifically prohibits more than one loan or grant, or combination of these, for one project. Larger projects might be considered for authorization and construction through regular Reclamation procedures.

An organization, such as a State agency, may obtain any number of loans as long as all are for different undertakings. Even an irrigation district or similar organization could obtain more than one loan provided it can be demonstrated that the proposals are distinct units that are separable physically, economically, and financially.
Are loans limited to irrigation purposes only?

The projects must be irrigation projects but may also serve other purposes if these are incidental to the complete development of the project. They may include domestic, industrial or municipal water supply and commercial power as well as the nonreimbursable functions, provided irrigation is the principal purpose of the project.

Loans cannot be made to cities or similar organizations for municipal water even if most of the water will be consumed by the watering of lawns and gardens within the city or town. Such use is not considered to be irrigation within the intent of this Act. Some municipal-type organizations may be able to qualify for such loans if the proposed projects are primarily for irrigation purposes on farms or small plots where the use is clearly for commercial agriculture with municipal uses secondary.

What is meant by "primarily for irrigation purposes"?

No final answer can be given without some knowledge of the project under consideration. However, if the project is not at least half for irrigation, it certainly cannot be considered as primarily for irrigation purposes. In measuring the part attributable to irrigation, it will be necessary to consider the costs that will be allocated to the various purposes. Such cost allocations will be made by methods acceptable for use on Federal projects.

In the consideration of whether a proposal is primarily for irrigation, the "project" must be defined as the work to be done and will not include facilities that now exist, as a general rule.

In those cases that are close to the line as given above or otherwise involve doubts, representatives of the local organization should discuss the matter with the Regional Director before undertaking much work toward an application for a loan.

Can a loan be obtained for a project authorized for construction by the Bureau?

Yes, if the proposal qualifies under the Small Reclamation Projects Act of 1956. If the whole project is to be developed according to the Bureau plan the matter of the application is somewhat simplified. When proposals are for only a part of a project, it may be necessary for the Bureau to study the remainder of the project in order to determine whether the subdivision will deprive others of the opportunity for development. Loans will not be made for small project proposals that would damage or destroy known opportunities for others in the vicinity.
Distribution systems on authorized projects may, also, be developed under loans provided for by Public Law 130, 84th Congress (69 Stat. 244), revised by Public Law 520, 84th Cong. (70 Stat. 155). This Act provides for loans to irrigation districts and similar organizations to construct their own distribution systems, in lieu of construction by the Bureau of Reclamation. No limit has been placed upon the size of such loans, other than the limitations of the authorization for Bureau construction of the system. In many respects, the procedures are identical with those for projects under the Small Reclamation Projects Act of 1956, but some of the steps in obtaining approval are simplified. Interested organizations should consult the Regional Director for further information on this type of loan.

What part of the loan is interest-free?

The portion of the project costs that are properly assigned to irrigation service for lands not in excess of 160 acres in a single ownership, is free of interest charges. Interest must be charged on the reimbursable portions of the project costs chargeable to providing irrigation benefits to lands in excess of 160 acres in a single ownership, to the production or commercial power or to furnishing water for domestic, industrial, or municipal use. In determining the portions of the loan attributable to the various interest-bearing functions, allocations methods acceptable for use on Federal projects will be utilized.

What rate of interest is to be paid?

The rate of interest to be paid on such loans is based upon the May market bid quotations or prices on certain long-term obligations of the United States. The rate will be determined each year by the Secretary of the Treasury and will apply to all contracts executed during that fiscal year (12 months beginning July 1 of each year). These rates may change appreciably from year to year. The rates that have been determined since the program started are as follows:

- July 1, 1956 to June 30, 1957 - 3.0%
- July 1, 1957 to June 30, 1958 - 3-3/8%
- July 1, 1958 to June 30, 1959 - 3-1/8%
- July 1, 1959 to June 30, 1960 - 4-1/8%

How soon must the loans be repaid?

The repayment period for such loans must be the shortest practical period justified by the earnings of the project to be developed under the loan. The actual payout schedule for a specific project will be dictated by the conditions anticipated and will be decided between the Bureau and the applicant organization. The repayment period cannot exceed 50 years under any consideration.
Is a contract required?

Applicants must enter into a contract with the United States which will provide for the repayment of the loan and which will cover various arrangements for the design, construction, operation, and maintenance of the project and the repayment of Bureau costs.

What contribution must be made by the applying organization?

Public Law 984 as amended requires that the organization finance, by means other than the Federal loan and grant, a part of the construction cost of the project up to but not exceeding 25 percent of the reimbursable cost of the project for those projects costing no more than $5,000,000. For projects that cost more than $5,000,000, the local interests must pay all costs above that amount and must make the contribution that they would if the project cost were $5,000,000. The law specifies that as a part of this contribution, the local interests must provide all costs of the lands, interests in lands, and all water rights. This is, therefore, the minimum contribution that can be accepted for new projects, and more may be required. For rehabilitation and betterment work on existing projects, the amount of the contribution must be considered on an individual case basis to provide for a local share of the costs consistent with the requirements placed upon new projects. Expenses incurred by the organization in making the engineering and economic investigations and studies and in preparing the application report may be considered as a part of the contribution to the cost of construction.

What of water rights involved in lawsuits?

Water rights are vital to projects of this type. Likewise, the Act requires that the applying organization make a showing that it has, or can obtain the necessary water rights. Therefore, water rights that are involved in legal controversy will prevent the approval of a project proposal that is dependent upon them. However, if the proposed project is financially feasible without the controversial water rights, it may be approved for a loan.

Who plans and builds the project?

The applying organization is responsible for planning, building, operating, and maintaining the system. The Bureau will, of course, examine the plans to determine whether the project can reasonably be expected to accomplish its purpose and will provide for the repayment of the loan, and the Bureau will inspect the project as necessary during construction and throughout the period of the loan to make certain that it is built and managed according to the agreement. The Bureau will also provide whatever advice the applicant may need regarding the contents of the application and the procedures to be followed.
The applying organization should make its own arrangements for the necessary consulting engineering services and other specialized services that it needs. While the Bureau will not undertake the planning, design, construction, or operation of projects built under these loans and grants, it will, upon request, advise and assist the applicants to the extent required and possible. In the event that an applicant finds it impossible to obtain necessary specialized services, the Bureau will provide such services whenever practical to do so, if the applicant pays for them. Similar arrangements can probably be made with other Federal agencies within their special fields, but it is suggested that applicants consult the Bureau's Regional office on this matter. The other agencies generally prefer that the arrangements with applying organizations be made in cooperation with the Bureau.

Where may Bureau advice be obtained?

Applicants should consult the appropriate Regional Director of the Bureau. As a matter of convenience, a map showing the Regions and a list of the addresses are attached.

Must the detailed construction plans and specifications be approved by the Bureau?

Yes, but it is not necessary for the detailed construction plans and the specifications to be completed prior to the approval of the loan.

Must the applying organization pay the costs of the Bureau's participation?

Yes, all costs of the Bureau's activities on each project must be repaid by the applying organization, except those costs properly allocable to nonreimbursable functions.

The $1,000 provided with the application will pay a portion of the costs of processing and considering the application. It will not be refunded if the loan is not made. In the event that the Bureau is asked to make special studies for the applicant's use for its application, the applicant must advance funds for the Bureau's use on such studies. All other costs of considering the loan and of the Bureau's reviews and inspections of the final plans, drawings, work, accounts, project, etc., must be repaid along with the money provided under the loan.

Can the applicant obtain Bureau data for use in its studies?

Any Bureau data useful in planning the proposed project will be made available to the applicant. The law provides for payment by
the applicants of the costs of such data and, in general, charges will be based on the amount of data used by the applicant.

**Are other Federal agencies involved?**

The Act specifically requires that the applicant consult with the Fish and Wildlife Service and the appropriate state fish and game agency during the planning of the projects to assure against unnecessary damages to fish or wildlife values of the area. Likewise, the law permits grants where projects benefit fish and wildlife for the general public good, a feature of Reclamation projects that is frequently nonreimbursable.

If grants are requested for flood control, the applicants must also consult with the Corps of Engineers, which has the primary interest in that activity. It will be necessary for agreement to be reached between the applicant, the Corps of Engineers, and the Bureau on the manner of operation of the project in order to assure the claimed general benefits.

The regional office of the Bureau will provide information regarding the agencies that are to be consulted in each specific case.

**Must the States be consulted?**

Yes. The proposals must be submitted for review by the State or States in which the project is located and the Governor (or a State agency designated by him) must find that the project is financially feasible and must comment upon the claimed water rights. Also, proposals on projects must be submitted to the other states of the river basin for review and comment, except those proposals for rehabilitation and betterment programs on existing projects which would involve no new use of water.

**Who submits the proposals to the States and other Federal agencies?**

The applicant. The Regional office of the Bureau will provide information on where the reports should be sent.

**Must the application be submitted to the Congress?**

Yes. If the proposal is approved for a loan, the application must be sent, by the Secretary of the Interior, to the Interior and Insular Affairs Committee of both houses of the Congress. No appropriation of funds will be made for the project until the application has spent 60 days before these Committees, while the Congress is in session.
Are application blanks available?

No. To meet the requirements of the law, the applicant must provide a report which will be ample to contain all information that would be in a formalized application blank. It will be easier for the applicants to provide the necessary information if the style of presentation is left to their choice.

In general, the application should be made in two steps. First, a notice of intent should be filed. It will inform the Bureau and other affected agencies that the organization is preparing the required report, provide a brief outline of the proposed work and a preliminary estimate of the cost, and demonstrate that the applicant understands what it must do. This notice is important to eliminate those projects that may be suggested but not seriously considered, and to provide the Bureau with information on which to plan its share of the work. Second, is the application proper which consists of a letter signed by the Chairman of the Board of Directors (or other qualified representative) of the applying organization and the application report, accompanied by the $1,000 application fee. The letter should state the amount of loan and/or grant requested, the amount of the proposed contribution, and the number of years anticipated for the repayment of the loan.

What information is to be in the report?

The law specifically requires the submission of "a plan and cost estimate in detail comparable to those included in preauthorization reports required for a Federal reclamation project." This, and other requirements of the law require a report similar in scope to the Bureau's "feasibility" report.

The exact contents of the report will vary with the type and complexity of the proposed project. Therefore, the Bureau's Regional Director should be consulted to determine the requirements for each individual project. Briefly, the report should include items such as the following:

1. A summary of the proposal.
2. A general description of the proposed project including the area to be served, water requirements, water supply, water rights, purposes to be served, etc., sufficient to provide a good understanding of the proposal.
3. A project plan with a general map and sufficient drawings of typical structures to illustrate types of structures and the standards of design that will be utilized.
4. Cost estimates for the project construction and for operation, maintenance, and replacement in sufficient detail to permit evaluation of the estimates.
5. Land classification information sufficient to show that the lands of the project can maintain production.

6. Economic studies to demonstrate that construction of the project is financially feasible and to demonstrate the payment capacity of the proposed project.

7. Information on the financial condition of the organization and its authority to act for the water users.

8. A construction schedule and budget of sufficient detail to permit the Bureau to plan its activities and to arrange for funds.

9. Information on proposed allocations of project costs for any grants requested, and operating plans to assure the fulfillment of these purposes.

10. Information on proposed allocation of reimbursable costs between noninterest bearing and interest-bearing functions of the project.

11. A schedule of proposed payments to retire the loan and to provide for adequate operation and maintenance of the project and the retirement of any other indebtedness of the organization.

12. A showing that the applicant organization has all lands and water needed for the project, or can obtain them. Organizations having the right to condemn lands for right-of-way can satisfy much of this requirement by a statement to that effect.

**What information must be provided after the loan is approved but before construction can begin?**

Because it is generally desirable to restrict the work on such projects until after a loan is assured, additional work will be required before the funds can be provided for construction. In most instances, it will be practical to provide funds from the loan for the work of completing such details. The construction drawings and specifications must be submitted for examination by the Bureau and some further final planning may be required on portions of the projects where the preliminary plans lack details or are vague or uncertain. In general, it will not be necessary for all of the detailed work to be completed before construction work can begin on some parts of the project. However, such work must be completed for any unit before the funds will be supplied for the construction of that unit.

**How is an application prepared and filed?**

Discuss this matter with the Regional Director. There are too many possible variations to permit detailed discussions here. For a simple project, the work will be less than for a complex project.
Can the organization obtain funds immediately after approval of the application?

No. Funds will not be available for any project until they have been specifically appropriated by the Congress. No appropriation can be made by the Congress until the approved project proposal has been before two Committees of the Congress for 60 days while the Congress is in session. This means that an organization might have to wait more than one year before an appropriation can be acted upon, after the application is approved. At best, it will require well over two months from the time of approval to the appropriation of funds. Furthermore, funds cannot be made available to the applicant until after a contract for repayment of the loan has been consummated, including validation proceedings when appropriate.

When should an application be filed?

Applications will be accepted by the Regional Director at any time and will be processed promptly. It requires considerable time to examine the proposals and to process the applications.

Will the processing of an application be expedited by making arrangements with the Bureau or the Department in Washington, D. C.?

No, it will be delayed. Personnel of the Regional office are familiar with the local conditions and can offer many valuable suggestions to those preparing applications and can send the application for approval with comments and recommendations, which will reduce the time required for consideration of the loan. If an application is filed in any other office of the Bureau or the Department, it will be sent to the Regional Director for his review and comment before being considered elsewhere.

What are the procedures normally followed in developing and processing a Small Reclamation Projects loan?

As soon as a prospective applicant decides to complete and file an application for a loan under the Small Reclamation Projects Act of 1956, the applicant should file a Notice of Intent to apply for a loan. This Notice of Intent should set forth:

A. The type of organization.
B. A brief description of the proposed plan, including a preliminary estimate of cost if possible.
C. Applicant's willingness and ability to provide, by means other than loan under this Act, funds necessary to develop the application report, make payment of $1,000 in accordance with the law, to partially defray the cost of processing the application and provide required land and water rights, in an amount not to exceed 25 percent of estimated cost of the development.
D. Applicant's willingness and ability to enter into a repayment contract with the United States.

E. Applicant's understanding that approval of the loan is subject to the approval of the report which accompanies or forms the application regarding:
   1. Estimated construction cost being an adequate basis for determining the amount of loan.
   2. Plans being according to sound engineering principles.
   3. The water users having the ability to repay the amount of the loan within the repayment period and pay an annual OM&R charge sufficient to adequately operate and maintain the works.
   4. Costs allocated to nonreimbursable purposes being justified expenditures.

F. Applicant's understanding that the report accompanying the application must be submitted to the affected States for review in a like manner to that provided in Section 1(c) of the Flood Control Act of 1944, that the planning and construction of the project must conform to the procedural requirements and provisions of the Fish and Wildlife Coordination Act (48 Stat. 401 as amended, 16 U.S.C. Sec. 661), that those parts of plans involving other nonreimbursable purposes must be cleared with the Federal agencies primarily concerned, and that the Governor of the State in which the project is located must find that the project is financially feasible.

G. Applicant's understanding that funds, if required, for preconstruction activities including preparation of designs and specifications, will be advanced only upon approval of the loan by the Secretary, and upon consummation of the repayment contract, including validation when appropriate.

H. Applicant's understanding that funds for construction will be advanced only upon approval by the Bureau of Reclamation of the designs and specifications for given program units. Approval of the designs and specifications will be contingent on their being in accordance with sound engineering principles and capable of accomplishing their part of the purpose of the over-all plan.

I. A request that appropriate representatives of the Bureau meet with the engineers and other representatives of the applicant to outline the specific and detailed requirements of the loan application report.

The Notice of Intent is to be filed with the Regional Director. At the same time, copies should be furnished to the Regional Office of the Fish and Wildlife Service and the appropriate State fish and game agency in conformance with procedure contained in the Act of August 14, 1946 and to the Governor of the State or his representative.
After the receipt of a Notice of Intent, activities will proceed generally in accordance with the following steps:

(a) Meeting between applicant organization and Bureau at which an understanding will be achieved regarding the detailed requirements of the application report, the criteria upon which it is to be based, and any work or information which will be requested of the Bureau by the organization. These meetings will include any field inspections necessary to determine requirements for mapping, geological investigations, land classification, etc. The repayment contract will also be discussed. At the conclusion of each meeting, the understandings will be reduced to writing by representatives of the applicant organization and the Bureau.

(b) Applicant prepares application for loan. During this period, the applicant should call upon the Bureau for consultation if any questions arise or if departure from previous understandings seems desirable.

(c) Applicant submits advance draft of application report for preliminary review by Bureau, State, and any other agencies having a direct interest in the proposed project.

(d) Bureau, State, and other Agencies as appropriate make field examination of application and state requirements, if any, for revision of advance draft of report.

(e) Applicant makes required revisions, if any.

(f) Applicant submits application report to required States and other agencies for review.

(g) Applicant submits loan application to the Regional Director, Bureau of Reclamation, accompanied by a check for $1,000 made payable to the Bureau of Reclamation.

(h) Bureau reviews application and comments of other agencies and forwards them to the Secretary of the Interior with its recommendations.

(i) If the Secretary approves the proposal, he obtains the comments of the Bureau of the Budget and then submits the proposal to the Congress as required by the Act.

(j) The approved project proposal must then be before two committees of Congress for 60 days, while Congress is in session, before funds can be appropriated.

(k) Concurrently with step (b) above, preliminary contract negotiations are initiated to develop a proposed plan of repayment.

(l) Following step (g) above, the Bureau prepares a preliminary draft of a repayment contract and submits it to the applicant for review.

(m) When the Bureau and applicant arrive at agreement on a draft of contract, and after the Secretary has approved the project proposal, the proposed repayment contract is submitted to the Secretary for approval as to form.
(n) The applicant, as desired or as required by State law, obtains approval of State agencies and holds an election for approval of the contract.

(o) Following the election, the contract is executed.

(p) If appropriate, the applicant obtains validation of the contract by a court of competent jurisdiction.

(q) Upon appropriation of funds by Congress and submission of required work scheduling by the applicant, the Bureau advances funds for preparation of designs and specifications and for the accomplishment of other necessary preconstruction activities, in accordance with scheduled amount.

(r) Applicant prepares designs and specifications, by agreed-upon program units. Prior to initiation of actual work on designs, it will be necessary to have a meeting or meetings between the applicant and the Bureau to reach an understanding on design requirements and criteria and upon form and content of specifications.

(s) Bureau advances funds for construction by program units upon approval of the designs and specifications for the same program units.

(t) Applicant initiates construction. During the construction period, the Bureau will make sufficient inspections to insure that construction is being carried out in accordance with designs and specifications.

(u) Project operation begins. During project operation, the Bureau will make such periodic inspections as necessary to determine that the project is being properly maintained.

Every effort will be made to accomplish the Bureau's consideration of proposals without unnecessary delay to the applying agency and at the lowest possible cost, but with full recognition of the Bureau's obligations to protect the Federal investment.
To supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the purpose of this Act is to encourage State and local participating in the development of projects under the Federal reclamation laws and to provide for Federal assistance in the development of similar projects in the seventeen western reclamation States by non-Federal organizations.

SEC. 2. As used in this Act -
(a) The term "construction" shall include rehabilitation and betterment.
(b) The term "Federal reclamation laws" shall mean the Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.
(c) The term "organization" shall mean a State or a department, agency, or political subdivision thereof or a conservancy district, irrigation district, water users' association, an agency created by interstate compact, or similar organization which has capacity to contract with the United States under the Federal reclamation laws.
(d) The term "project" shall mean (i) any complete irrigation undertaking, including incidental features thereof, or distinct unit of such an undertaking or a rehabilitation and betterment program for an existing irrigation project, authorized to be constructed pursuant to the Federal reclamation laws and (ii) any similar undertaking proposed to be constructed by an organization. The term "project" shall not include any such undertaking, unit, or program the cost of which exceeds $5,000,000: Provided, That any project, the estimated cost of which is more than $5,000,000 but less than $10,000,000, may qualify under this Act if the applicant organization is ready, able, and willing to finance otherwise than by loan or grant under this Act all costs in excess of the amount of the loan or grant which would be made under this Act if the estimated construction cost were $5,000,000: Provided further, That nothing contained in this definition shall preclude the making of a grant not in excess of $5,000,000 in accordance with the provisions of sections 4 and 5 of this Act, to organizations whose proposed
projects qualify for the same but which are not applicants for a loan under this Act: And provided further, That nothing contained in this Act shall preclude the making of more than one loan or grant, or combined loan and grant, to an organization so long as no two such loans or grants, or combinations thereof, are for the same project, as herein defined.

(e) The term "Secretary" shall mean the Secretary of the Interior.

SEC. 3. Any organization desiring to avail itself of the benefits provided in this Act shall submit a proposal therefor to the Secretary in such form and manner as he shall prescribe. Each such proposal shall be accompanied by a payment of $1,000 to defray, in part, the cost of examining the proposal.

SEC. 4. (a) Any proposal with respect to the construction of a project which has not theretofore been authorized for construction under the Federal reclamation laws shall set forth, among other things, a plan and estimated cost in detail comparable to those included in preauthorization reports required for a Federal reclamation project; shall have been submitted for review by the States of the drainage basin in which the project is located in like manner as provided in subsection (c), section 1 of the Act of December 22, 1944 (58 Stat. 887), except that the review may be limited to the State or States in which the project is located if the proposal is one solely for rehabilitation and betterment of an existing project; and shall include a proposed allocation of capital costs to functions such that costs for facilities used for a single purpose shall be allocated to that purpose and costs for facilities used for more than one purpose shall be so allocated among the purposes served that each purpose will share equitably in the costs of such joint facilities.

(b) Every such proposal shall include a showing that the organization already holds or can acquire all lands and interests in land (except public and other lands and interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by him) and rights, pursuant to applicable State law, to the use of water necessary for the successful construction, operation, and maintenance of the project and that it is ready, able, and willing to finance otherwise than by loan and grant under this Act such portion of the cost of construction (which portion shall include all costs of acquiring lands, interests in land, and rights to the use of water) as the Secretary shall have advised is proper in the circumstances: Provided, That the contribution of any applicant organization shall not be required to be in excess of 25 per centum of the costs of the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to reimbursable functions under general provisions of law applicable to such projects.

(c) At such time as a project is found by the Secretary and the Governor of the State in which it is located (or an appropriate State
agency designated by him) to be financially feasible, is determined by the Secretary to constitute a reasonable risk under the provisions of this Act, and is approved by the Secretary, such findings and approval shall be transmitted to the Congress. The Secretary, at the time of submitting the project proposal to Congress or at the time of his determination that the requested project constitutes a reasonable risk under the provisions of this Act, may reserve from use or disposition inimical to the project any lands and interests in land owned by the United States which are within his administrative jurisdiction and subject to disposition by him and which are required for use by the project. Any such reservation shall expire at the end of two years unless the contract provided for in section 5 of this Act shall have been executed.

(d) No appropriation shall be made for financial participation in any such project prior to 60 calendar days (which 60 days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than 3 calendar days to a day certain) from the date on which the Secretary's findings and approval are submitted to the Congress and then only if, within said 60 days, neither the House nor the Senate Interior and Insular Affairs Committee disapproves the project proposal by committee resolution. The provisions of this subsection (d) shall not be applicable to proposals made under section 6 of this Act.

(e) The Secretary shall give due consideration to financial feasibility, emergency, or urgent need for the project, whether the proposal involves furnishing supplemental irrigation water for an existing irrigation project, whether the proposal involves rehabilitation of existing irrigation project works, and whether the proposed project is primarily for irrigation. All project works and facilities constructed under this Act shall remain under the jurisdiction and control of the local contracting organization subject to the terms of the repayment contract.

SEC. 5. Upon approval of any project proposal by the Secretary under the provisions of section 4 of this Act, he may negotiate a contract which shall set out, among other things -

(a) the maximum amount of any loan to be made to the organization and the time and method of making the same available to the organization. Said loan shall not exceed that portion of the estimated cost of constructing the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to reimbursable functions under general provisions of law applicable to such projects;

(b) the maximum amount of any grant to be accorded the organization and the time and method of paying the same to the organization. Said grant shall not exceed that portion of the estimated cost of constructing the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to nonreimbursable functions under general provisions of law applicable to such projects;
(c) a plan of repayment by the organization of (1) the
sums lent to it in not more than fifty years from the date when
the principal benefits of the project first become available;
(2) interest, as determined by the Secretary of the Treasury,
by estimating the average annual yield to maturity, on the
basis of daily closing market bid quotations or prices during
the month of May preceding the fiscal year in which the loan
is made, on all outstanding marketable obligations of the
United States having a maturity date of fifteen or more years
from the first day of such month of May, and by adjusting
such estimated average annual yield to the nearest one-eighth
of 1 per centum at the beginning of the fiscal year preceding
the date on which the contract is executed, on that pro rata
share of the loan which is attributable to furnishing irriga-
tion benefits in each particular year to land held in pri-
ivate ownership by any one owner in excess of one hundred and
sixty irrigable acres; and (3) in the case of any project
involving an allocation to domestic, industrial, or municipal
water supply, or commercial power produced as an element of
the project and incidental to its full development, interest
on the unamortized balance of an appropriate portion of the
loan as a rate as determined in (2) above;
(d) provision for operation of the project, if a grant
predicated upon its performance of nonreimbursable functions
is made, in accordance with regulations with respect thereto
prescribed by the head of the Federal department or agency
primarily concerned with those functions and, in the event
of noncompliance with such regulations, for operation by the
United States or for repayment to the United States of the
amount of any such grant;
(e) such provisions as the Secretary shall deem nec-
essary or proper to provide assurance of and security for
prompt repayment of the loan and interest as aforesaid.
The liability of the United States under any contract entered
into pursuant to this Act shall be contingent upon the availa-
bility of appropriations to carry out the same, and every
such contract shall so recite; and
(f) provisions conforming to the preference require-
ments contained in the proviso to section 9(c) of the Act of
August 4, 1939 (53 Stat. 1193), if the project produces
electric power for sale.

SEC. 6. Any proposal with respect to the construction of a proj-
ect which has theretofore been authorized for construction under the
Federal reclamation laws shall be made in like manner as a proposal under
section 4 of this Act, but the Secretary may waive such requirements of
sub-sections (a) and (b) of that section as he finds to be duplicative
of, or rendered unnecessary or impossible by, action already taken by
the United States. Upon approval of any such proposal by the Secretary he may negotiate and execute a contract which conforms as nearly as may be, to the provisions of section 5 of this Act.

SEC. 7. Upon request of an organization which has made or intends to make a proposal under this Act, the head or any Federal department or agency may make available to the organization any existing engineering, economic, or hydrologic information and printed material that it may have and that will be useful in connection with the planning, design, construction, or operation and maintenance of the project concerned. The reasonable cost of any plans, specifications, and other unpublished material furnished by the Secretary pursuant to this section and the cost of making and administering any loan under this Act shall, to the extent that they would not be nonreimbursable in the case of a project constructed under the Federal reclamation laws, be treated as a loan and covered in the provisions of the contract entered into under section 5 of this Act unless they are otherwise paid for by the organization.

SEC. 8. The planning and construction of projects undertaken pursuant to this Act shall be subject to all procedural requirements and other provisions of the Act of August 14, 1946 (60 Stat. 1080).

SEC. 9. The Secretary is authorized to perform any and all acts and to make such rules and regulations as may be necessary or proper in carrying out the provisions of this Act.

SEC. 10. There are hereby authorized to be appropriated, such sums as may be necessary, but not to exceed $100,000,000 to carry out the provisions of this Act: Provided, That the Secretary shall advise the Congress promptly on the receipt of each proposal referred to in section 3, and no contract shall become effective until appropriated funds are available to initiate the specific proposal covered by each contract. All such appropriations shall remain available until expended and shall, insofar as they are used to finance loans made under this Act, be reimbursable in the manner hereinabove provided.

SEC. 11. This Act shall be a supplement to the Federal reclamation laws and may be cited as the Small Reclamation Projects Act of 1956.

SEC. 12. If any provision of this Act or the application of such provision to any person, organization, or circumstance shall be held invalid, the remainder of the Act and the application of such provision to persons, organizations, or circumstances other than those as to which it is held invalid shall not be affected thereby.

Act approved August 6, 1956
Amendment approved June 5, 1957
Regional Offices

BUREAU OF RECLAMATION

Region 1:  Regional Director, Bureau of Reclamation
           P. O. Box 927, Fairgrounds, Boise, Idaho

Region 2:  Regional Director, Bureau of Reclamation
           P. O. Box 2511, Fulton and Marconi Avenues
           Sacramento 11, California

Region 3:  Regional Director, Bureau of Reclamation
           P. O. Box 427, Administration Building
           Boulder City, Nevada

Region 4:  Regional Director, Bureau of Reclamation
           P. O. Box 360, 32 Exchange Place
           Salt Lake City 10, Utah

Region 5:  Regional Director, Bureau of Reclamation
           P. O. Box 1609, Old Post Office Building
           Amarillo, Texas

Region 6:  Regional Director, Bureau of Reclamation
           P. O. Box 2553, Seventh and Central Avenue
           Billings, Montana

Region 7:  Regional Director, Bureau of Reclamation
           Building 46, Denver Federal Center
           Denver 25, Colorado
To amend the Act of March 10, 1934, entitled "An Act to promote the conservation of wildlife, fish, and game, and for other purposes".

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of March 10, 1934 (48 Stat. 401), is hereby amended to read as follows:

"In order to promote effectual planning, development, maintenance, and coordination of wildlife conservation and rehabilitation in the United States, its Territories and possessions, the Secretary of the Interior, through the Fish and Wildlife Service, is authorized (a) to provide assistance to, and cooperate with, Federal, State, and public or private agencies and organizations in the development, protection, rearing, and stocking of all species of wildlife, resources thereof, and their habitat, in controlling losses of the same from disease or other causes, in minimizing damages from overabundant species, in providing public shooting areas, and in carrying out other measures necessary to effectuate the purposes of this Act; and (b) to make surveys and investigations of the wildlife of the public domain, including lands and waters or interests therein acquired or controlled by any agency of the United States.

"Sec. 2. Whenever the waters of any stream or other body of water are authorized to be impounded, diverted, or otherwise controlled for any purpose whatever by any department or agency of the United States, or by any public or private agency under Federal permit, such department or agency first shall consult with the Fish and Wildlife Service and the head of the agency exercising administration over the wildlife resources of the State wherein the impoundment, diversion, or other control facility is to be constructed with a view to preventing loss of and damage to wildlife resources, and the reports and recommendations of the Secretary of the Interior and of the head of the agency exercising administration over the wildlife resources of the State, based on surveys and investigations conducted by the Fish and Wildlife Service and by the said head of the agency exercising administration over the wildlife resources of the State, for the purpose of determining the possible damage to wildlife resources and of the means and measures that should be adopted to prevent loss of and damage to wildlife resources, shall be made an integral part of any report submitted by any agency of the Federal Government responsible for engineering surveys and construction of such projects.

"The cost of planning for and the construction or installation and maintenance of any such means and measures shall be included in and shall constitute an integral part of the costs of such projects: Provided, That, in the case of projects hereafter authorized to be constructed, operated, and maintained in accordance with the Federal
reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto), the Secretary of the Interior shall, in addition to allocations to be made under section 9 of the Reclamation Project Act of 1939 (53 Stat. 1187), make findings on the part of the estimated cost of the project which can properly be allocated to the preservation and propagation of fish and wildlife, and costs allocated pursuant to such findings shall not be reimbursable. In the case of construction by a Federal agency, that agency is authorized to transfer, out of appropriations or other funds made available for surveying, engineering, or construction to the Fish and Wildlife Service, such funds as may be necessary to conduct the investigations required by this section to be made by it.

"Sec. 3. Whenever the waters of any stream or other body of water are impounded, diverted, or otherwise controlled for any purpose whatever by any department or agency of the United States, adequate provision consistent with the primary purposes of such impoundment, diversion, or other control shall be made for the use thereof, together with any areas of land, or interest therein, acquired or administered in connection therewith, for the conservation, maintenance, and management of wildlife, resources thereof, and its habitat thereon. In accordance with general plans, covering the use of such waters and other interests for these purposes, approved jointly by the head of the department or agency exercising primary administration thereof, the Secretary of the Interior, and the head of the agency exercising administration over the wildlife resources of the State wherein the waters and areas lie, such waters and other interests shall be made available without cost for administration (a) by such State agency, if the management thereof for the conservation of wildlife relates to other than migratory birds; (b) by the Secretary of the Interior, if the waters and other interests have particular value in carrying out the national migratory bird management program.

"Sec. 4. Such areas as are made available to the Secretary of the Interior for the purposes of this Act under sections 1 and 3, or by any other law, proclamation, or Executive order, shall be administered directly or under cooperative agreements entered into pursuant to the provisions of section 1 by the Secretary of the Interior under such rules and regulations for the conservation, maintenance, and management of wildlife, resources thereof, and its habitat thereon, as may be adopted by him in accordance with general plans approved jointly by the Secretary of the Interior and the head of the department or agency exercising primary administration of such areas: Provided, That such rules and regulations shall not be inconsistent with the laws for the protection of fish and game of the States in which such area is situated.

"Sec. 5. The Secretary of the Interior, through the Fish and Wildlife Service and the Bureau of Mines, is authorized to make such investigations as he deems necessary to determine the effects of domestic sewage, mine, petroleum, and industrial wastes, erosion silt, and other polluting substances on wildlife, and to make reports to the Congress concerning such investigations and of recommendations for alleviating dangerous and undesirable effects of such pollution. These investigations shall include (1) the determination of
standards of water quality for the maintenance of wildlife; (2) the study of methods of abating and preventing pollution, including methods for the recovery of useful or marketable products and byproducts of wastes; and (3) the collation and distribution of data on the progress and results of such investigations for the use of Federal, State, municipal, and private agencies, individuals, organizations, or enterprises.

"Sec. 6. There is authorized to be appropriated from time to time, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this Act and regulations made pursuant thereto, including the construction of such facilities, buildings, and other improvements necessary for economical administration of areas made available to the Secretary of the Interior under this Act, and the employment in the city of Washington and elsewhere of such persons and means as the Secretary of the Interior may deem necessary for such purposes.

"Sec. 7. Any person who shall violate any rule or regulation promulgated in accordance with this Act shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $500 or imprisoned for not more than one year, or both.

"Sec. 8. The terms ‘wildlife’ and ‘wildlife resources’ as used herein include birds, fishes, mammals, and all other classes of wild animals and all types of aquatic and land vegetation upon which wildlife is dependent.

"Sec. 9. The provisions of this Act shall not apply to the Tennessee Valley Authority.”

Approved August 14, 1946.
AN ACT

To supplement the Federal reclamation laws by providing for Federal cooperation in non-Federal projects and for participation by non-Federal agencies in Federal projects.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the purpose of this Act is to encourage State and local participation in the development of projects under the Federal reclamation laws and to provide for Federal assistance in the development of similar projects in the seventeen Western reclamation States by non-Federal organizations.

Sec. 2. As used in this Act—
(a) The term "construction" shall include rehabilitation and betterment.
(b) The term "Federal reclamation laws" shall mean the Act of June 17, 1902 (32 Stat. 388), and Acts amendatory thereof or supplementary thereto.
(c) The term "organization" shall mean a State or a department, agency, or political subdivision thereof or a conservancy district, irrigation district, water users' association, an agency created by interstate compact, or similar organization which has capacity to contract with the United States under the Federal reclamation laws.
(d) The term "project" shall mean (i) any complete irrigation undertaking, including incidental features thereof, or distinct unit of such an undertaking or a rehabilitation and betterment program for an existing irrigation project, authorized to be constructed pursuant to the Federal reclamation laws and (ii) any similar undertaking proposed to be constructed by an organization. The term "project" shall not include any such undertaking, unit, or program the cost of which exceeds $5,000,000: Provided, That any project, the estimated cost of which is more than $5,000,000 but less than $10,000,000, may qualify under this Act if the applicant organization is ready, able, and willing to finance otherwise than by loan or grant under this Act all costs in excess of the amount of the loan or grant which would be made under this Act if the estimated construction cost were $5,000,000: Provided further, That nothing contained in this definition shall preclude the making of a grant not in excess of $5,000,000 in accordance with the provisions of sections 4 and 5 of this Act, to organizations whose proposed projects qualify for the same but which are not applicants for a loan under this Act: And provided further, That nothing contained in this Act shall preclude the making of more than one loan or grant, or combined loan and grant, to an organization so long as no two such loans or grants, or combinations thereof, are for the same project, as herein defined.
(e) The term "Secretary" shall mean the Secretary of the Interior.

Sec. 3. Any organization desiring to avail itself of the benefits provided in this Act shall submit a proposal therefor to the Secretary in such form and manner as he shall prescribe. Each such proposal shall be accompanied by a payment of $1,000 to defray, in part, the cost of examining the proposal.

Sec. 4. (a) Any proposal with respect to the construction of a project which has not theretofore been authorized for construction under the Federal reclamation laws shall set forth, among other things, a plan and estimated cost in detail comparable to those included in preauthorization reports required for a Federal reclamation project; shall have been submitted for review by the States of the drainage basin in which the project is located in like manner as provided in subsection (c), section 1 of the Act of December 22, 1944 (58 Stat. 887), except that the review may be limited to the State or
States in which the project is located if the proposal is one solely for rehabilitation and betterment of an existing project; and shall include a proposed allocation of capital costs to functions such that costs for facilities used for a single purpose shall be allocated to that purpose and costs for facilities used for more than one purpose shall be so allocated among the purposes served that each purpose will share equitably in the costs of such joint facilities.

(b) Every such proposal shall include a showing that the organization already holds or can acquire all lands and interests in land (except public and other lands and interests in land owned by the United States which are within the administrative jurisdiction of the Secretary and subject to disposition by him) and rights, pursuant to applicable State law, to the use of water necessary for the successful construction, operation, and maintenance of the project and that it is ready, able, and willing to finance otherwise than by loan and grant under this Act such portion of the cost of construction (which portion shall include all costs of acquiring lands, interests in land, and rights to the use of water) as the Secretary shall have advised is proper in the circumstances: Provided, That the contribution of any applicant organization shall not be required to be in excess of 25 per centum of the costs of the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to reimbursable functions under general provisions of law applicable to such projects.

(c) If the project is found by the Secretary and the Governor of the State in which it is located (or an appropriate State agency designated by him) to be financially feasible and upon determination by the Secretary that the requested project constitutes a reasonable risk under the provisions of this Act, the Secretary is hereby authorized to negotiate a contract with the applicant organization as provided in section 5; but no such contract shall be executed by the Secretary prior to sixty calendar days (which sixty days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three days to a day certain) from the date on which the project proposal has been submitted to both branches of the Congress for consideration by the appropriate committees thereof, and then only if neither such committee, by committee resolution and notification in writing to the Secretary, disapproves the project proposal within such period: Provided, That if both such committees, in the same manner and prior to the expiration of such period, approve the project proposal, then the Secretary may proceed to execute the contract: Provided further, That in the event either committee disapproves the project proposal, the Secretary shall not proceed further unless the Congress has approved the same. The Secretary at the time of submitting the project proposal to Congress or at the time of his determination that the requested project constitutes a reasonable risk under the provisions of this Act, may reserve from use or disposition inimical to the project any lands and interests in land owned by the United States which are within his administrative jurisdiction and subject to the disposition by him and which are required for use by the project. Any such reservation shall expire at the end of two years unless the repayment contract provided for in section 5 of this Act shall have been executed.

(d) The Secretary shall give due consideration to financial feasibility, emergency, or urgent need for the project, whether the proposal involves furnishing supplemental irrigation water for an existing irrigation project, whether the proposal involves rehabilitation of existing irrigation project works, and whether the proposed project is primarily for irrigation. All project works and facilities constructed under this
Act shall remain under the jurisdiction and control of the local contracting organization subject to the terms of the repayment contract.

SEC. 5. Any contract authorized to be negotiated under the provisions of subsection (c) of section 4 of this Act shall set out, among other things—

(a) the maximum amount of any loan to be made to the organization and the time and method of making the same available to the organization. Said loan shall not exceed that portion of the estimated cost of constructing the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to reimbursable functions under general provisions of law applicable to such projects;

(b) the maximum amount of any grant to be accorded the organization and the time and method of paying the same to the organization. Said grant shall not exceed that portion of the estimated cost of constructing the project which, if it were being constructed as a Federal reclamation project, would be properly allocable to nonreimbursable functions under general provisions of law applicable to such projects;

(c) a plan of repayment by the organization of (1) the sums lent to it in not more than fifty years from the date when the principal benefits of the project first become available; (2) interest, as determined by the Secretary of the Treasury, by estimating the average annual yield to maturity, on the basis of daily closing market bid quotations or prices during the month of May preceding the fiscal year in which the loan is made, on all outstanding marketable obligations of the United States having a maturity date of fifteen or more years from the first day of such month of May, and by adjusting such estimated average annual yield to the nearest one-eighth of 1 per centum at the beginning of the fiscal year preceding the date on which the contract is executed, on that pro rata share of the loan which is attributable to furnishing irrigation benefits in each particular year to land held in private ownership by any one owner in excess of one hundred and sixty irrigable acres; and (3) in the case of any project involving an allocation to domestic, industrial, or municipal water supply, or commercial power produced as an element of the project and incidental to its full development, interest on the unamortized balance of an appropriate portion of the loan at a rate as determined in (2) above;

(d) provision for operation of the project, if a grant predicated upon its performance of nonreimbursable functions is made, in accordance with regulations with respect thereto prescribed by the head of the Federal department or agency primarily concerned with those functions and, in the event of noncompliance with such regulations, for operation by the United States or for repayment to the United States of the amount of any such grant;

(e) such provisions as the Secretary shall deem necessary or proper to provide assurance of and security for prompt repayment of the loan and interest as aforesaid. The liability of the United States under any contract entered into pursuant to this Act shall be contingent upon the availability of appropriations to carry out the same, and every such contract shall so recite: and

(f) provisions conforming to the preference requirements contained in the proviso to section 9 (c) of the Act of August 4, 1939 (53 Stat. 1195), if the project produces electric power for sale.

SEC. 6. Any proposal with respect to the construction of a project which has theretofore been authorized for construction under the Federal reclamation laws shall be made in like manner as a proposal under
section 4 of this Act, but the Secretary may waive such requirements of subsections (a) and (b) of that section as he finds to be duplicative of, or rendered unnecessary or impossible by, action already taken by the United States. Upon approval of any such proposal by the Secretary he may negotiate and execute a contract which conforms, as nearly as may be, to the provisions of section 5 of this Act.

Sec. 7. Upon request of an organization which has made or intends to make a proposal under this Act, the head of any Federal department or agency may make available to the organization any existing engineering, economic, or hydrologic information and printed material that it may have and that will be useful in connection with the planning, design, construction, or operation and maintenance of the project concerned. The reasonable cost of any plans, specifications, and other unpublished material furnished by the Secretary pursuant to this section and the cost of making and administering any loan under this Act shall, to the extent that they would not be nonreimbursable in the case of a project constructed under the Federal reclamation laws, be treated as a loan and covered in the provisions of the contract entered into under section 5 of this Act unless they are otherwise paid for by the organization.

Sec. 8. The planning and construction of projects undertaken pursuant to this Act shall be subject to all procedural requirements and other provisions of the Act of August 14, 1946 (60 Stat. 1080).

Sec. 9. The Secretary is authorized to perform any and all acts and to make such rules and regulations as may be necessary or proper in carrying out the provisions of this Act.

Sec. 10. There are hereby authorized to be appropriated, such sums as may be necessary, but not to exceed $100,000,000 to carry out the provisions of this Act: Provided, That the Secretary shall advise the Congress promptly on the receipt of each proposal referred to in section 3, and no contract shall become effective until appropriated funds are available to initiate the specific proposal covered by each contract. All such appropriations shall remain available until expended and shall, insofar as they are used to finance loans made under this Act, be reimbursable in the manner hereinabove provided.

Sec. 11. This Act shall be a supplement to the Federal reclamation laws and may be cited as the Small Reclamation Projects Act of 1956.

Sec. 12. If any provision of this Act or the application of such provision to any person, organization, or circumstance shall be held invalid, the remainder of the Act and the application of such provision to persons, organizations, or circumstances other than those as to which it is held invalid shall not be affected thereby.

Approved August 6, 1956.
Public Law 85-47
85th Congress, H. R. 2146
June 5, 1957

AN ACT

To amend the Small Reclamation Projects Act of 1956.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Small Reclamation Projects Act of 1956 (70 Stat. 1044) is amended as follows:

(a) Amend subsection (c) of section 4 to read:

"(c) At such time as a project is found by the Secretary and the Governor of the State in which it is located (or an appropriate State agency designated by him) to be financially feasible, is determined by the Secretary to constitute a reasonable risk under the provisions of this Act, and is approved by the Secretary, such findings and approval shall be transmitted to the Congress. The Secretary, at the time of submitting the project proposal to Congress or at the time of his determination that the requested project constitutes a reasonable risk under the provisions of this Act, may reserve from use or disposition inimical to the project any lands and interests in land owned by the United States which are within his administrative jurisdiction and subject to disposition by him and which are required for use by the project. Any such reservation shall expire at the end of two years unless the contract provided for in section 5 of this Act shall have been executed."

(b) Add a new subsection (d) to section 4 (the present subsection (d) being relettered (e)) reading as follows:

"(d) No appropriation shall be made for financial participation in any such project prior to sixty calendar days (which sixty days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which the Secretary's findings and approval are submitted to the Congress and then only if, within said sixty days, neither the House nor the Senate Interior and Insular Affairs Committee disapproves the project proposal by committee resolution. The provisions of this subsection (d) shall not be applicable to proposals made under section 6 of this Act."

(c) Amend the introductory clause of section 5 to read:

"Sec. 5. Upon approval of any project proposal by the Secretary under the provisions of section 4 of this Act, he may negotiate a contract which shall set out, among other things—"

Approved June 5, 1957.
# RELATIONSHIPS BETWEEN ACTIVITIES AUTHORIZED BY THE WATERSHED PROTECTION AND FLOOD PREVENTION AND THE SMALL RECLAMATION PROJECTS ACTS

<table>
<thead>
<tr>
<th>Department of Agriculture</th>
<th>Department of the Interior</th>
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<tbody>
<tr>
<td>Watershed Protection and Flood Prevention Act (P.L. 566, 83rd Congress, as amended by P.L. 1018, 84th Congress)</td>
<td>Small Reclamation Projects Act (P.L. 984, 84th Congress)</td>
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</tbody>
</table>

Authorizes the Secretary of Agriculture to cooperate with local organizations in the planning and development of watershed or subwatershed areas.

**Watershed Areas Are**

A watershed area comprises all land and water within the confines of a drainage divide. The Service cannot approve single plans for works of improvement on areas exceeding 250,000 acres even though several areas, not in excess of this size, may be planned jointly at the request of local organizations.

**Sponsorship**

A qualified local organization must make a request for planning assistance. A watershed project is not a Federal project but a local undertaking with assistance from the Department of Agriculture in the planning, constructing and financing of necessary improvements for protection and development of the watershed area.

Authorizes the Secretary of the Interior to make loans and grants, or either, to local organizations to construct small projects similar to those developed by the Bureau of Reclamation.

**Small Projects Are**

A complete irrigation undertaking or a distinct unit of a project, or a rehabilitation and betterment program for an existing irrigation development, with a total cost not exceeding $10,000,000 and similar to a Federal Reclamation Project.

**Sponsorship**

Must be sponsored by an organization - application for government assistance in financing a local undertaking.
Eligible Local Organization

The local organization must have authority under State law to carry out, operate, and maintain the works of improvement contemplated in connection with a particular application for assistance.

May have co-sponsoring local organizations.

Eligible Works of Improvement for:

(1) flood prevention (structural and land treatment measures) or
(2) the conservation, development, utilization, and disposal of water (includes such measures as drainage and irrigation, municipal and industrial water supply, water supply, water improvements for fish and wildlife, streamflow regulation to abate pollution, salt water intrusion control, etc.)

Geographic Limitation

Includes continental United States, Hawaii, Alaska, Puerto Rico and the Virgin Islands.

Eligible Local Organization

A State or department, agency or political subdivision thereof or a conservation district, irrigation district, water users' association, an agency created by interstate compact, or similar organization which has capacity to contract with the United States under the Federal Reclamation laws. An organization may obtain more than one loan or grant or combination thereof, provided that not more than one loan or grant, or combination, may be given for a single project.

Eligible Works of Improvement for:

reclamation works primarily for irrigation, including rehabilitation and betterment of existing projects with incidental features for:

(1) flood control, fish and wildlife and other purposes non-reimbursable under reclamation law; and
(2) domestic, industrial or municipal water supply and commercial power.

Geographic Limitation

Limited to 17 Western Reclamation States.
Size of Project

Limited to watershed or subwatershed areas of not to exceed 250,000 acres. A number of subwatersheds when they are component parts of a larger watershed may be planned together when the sponsoring local organizations so desire.

No dollar limit on size of projects but loan or advancement limitations are $5,000,000 in those cases where Federal financing is involved.

Size of Structures

No single structure may provide more than 5,000 acre-feet of floodwater detention capacity, or more than 25,000 acre-feet of total capacity.

Application for Assistance in Planning

Sponsoring local organization may apply to Secretary of Agriculture for assistance in planning and carrying out a project. Administrative responsibility has been delegated to the Administrator, Soil Conservation Service, and he may authorize planning assistance after compliance with established procedure.

Application must be reviewed by State agency or by State Governor. Affirmative approval of application required as a matter of policy. State agency or Governor is asked to recommend priority of planning

Size of Project

Projects limited to $5,000,000 except that cost may be as much as $10,000,000 if local organization pays excess over the allowable government loan or grant if project were only $5,000,000.

No limit on project acreage.

Size of Structures

No limitation on size of structures.

Notice of Intention to Apply for Loan

Gives Regional Director and other offices of Bureau of Reclamation formal notice that a local organization is interested in the program, intends to submit a loan application and understands the requirements. Advice and consultation in arriving at such a decision will be provided by Bureau of Reclamation. Notice of Intent also serves to notify Fish and Wildlife Service, Corps of Engineers and interested State agencies when they have an interest in the proposal.
Application for Assistance in Planning (continued)

among applications. State Conservationist also recommends priorities. It is the policy of the Service to approve application for planning only at a rate that personnel can be made available to assist the local sponsoring organization in preparing a work plan in a reasonable time. Priorities may be reviewed from time to time.

Technical Assistance in Helping Prepare a Work Plan

After approval for planning a Watershed Planning Party composed of qualified technicians of SCS, Forest Service where forest lands are involved, and possibly other agencies, works with the sponsoring local organization in preparing a plan for works of improvement. After full agreement with the local people, the plan is submitted with a request for authorization of operations. No charge is made for technical services rendered by this Department. All planning costs may be paid by the Federal Government, but State or local participation in planning costs may assure higher priority for planning.

Project Evaluation

Requires determination that total benefits exceed costs. Assistance will not be provided where half or more of the monetary benefits are creditable to bringing new land into agricultural production.

Technical Assistance in preparing a Plan of Construction and Development, and for a Loan Application

The local organization must provide its technical needs for planning. Upon request, some services can be provided by the Bureau of Reclamation if all such services are paid for by the local people and cannot be obtained from other sources. No technical services are rendered without charge; these include the engineering, design or other service needed in preparing a loan application.

Project Evaluation

Requires determination that project is "financially feasible" and "constitutes a reasonable risk under the provisions of this Act". Local agency must repay entire amount of loan and all Federal costs incurred. No
Work Plan

(1) A plan provides for the installation of all works of improvement, including land treatment and structural measures, which most nearly provide the maximum net benefits in accomplishing the purposes of the local people.

(2) It will be in sufficient detail so that it can be affirmatively determined that it is sound.

(3) Structural measures will be located and designed in sufficient detail to show engineering feasibility in accordance with SCS engineering standards.

(4) The responsibilities of all parties who will participate in the project will usually be signified by signing the work plan.

Project Evaluation (continued)

benefit determination required for single-purpose projects. Secretary shall give due consideration to financial feasibility, emergency, or urgent need for the project.

Cash Payment With Application

Payment of $1,000 by applicant organization at time of formal application to pay part of the cost of reviewing and processing application. Not returnable.

Application for Loan

(1) No requirement for conservation work on project or watershed lands and no facilities for including them in the project.

(2) A report containing sufficient detailed information to permit evaluation of soundness of proposal, determination of financial feasibility, and understanding of plans for repayment of the loan. As specified in the law, this information must be of an accuracy and detail comparable to that of the Bureau's feasibility report.

(3) Plan and construction specifications to be satisfactory to the Bureau of Reclamation.
Work Plan (continued)

(5) The work plan provides the basic framework for installing and operating and maintaining the project.

Cost Sharing

(1) Local Organizations shall:

(a) acquire land, easements and rights-of-way.
(b) acquire or assure acquisition of water rights under State laws.
(c) operate and maintain improvements.
(d) obtain agreements from owners of not less than 50% of land above each reservoir to carry out recommended soil conservation measures.

(2) Flood prevention. All construction costs (including engineering costs) applicable to flood prevention and features related thereto shall be borne by the Federal Government and paid for by the Secretary out of funds appropriated for the purposes of the Act.

(3) Agricultural phases of the conservation, development, utilization, and disposal of water. The local organization is required to assume such proportionate share of the costs of installing any works of improvement as is determined by the Secretary to be equitable in consideration of the direct identifiable benefits.

Cost Sharing

(1) Local Organizations shall:

(a) Same as for P.L. 566.
(b) Provide all water rights necessary for the project.
(c) Same as for P.L. 566.
(d) No requirement for land treatment measures. Costs for irrigation and related purposes are reimbursable in full within 50 years generally without interest.

(2) Flood control and related purposes and fish and wildlife benefits are non-reimbursable - 100% Federal grant.

(3) Secretary of the Interior may require up to 25% of project cost to be financed other than by loans and grants under the Act.
Cost Sharing (continued)

(4) Water improvements for other purposes - The local organization is required to pay all of the cost of installing any portion of such works applicable to these purposes, including provision of engineering services for municipal or industrial water supply.

Construction Authority
None - must be by local organization.

Review of Plans by Federal Agencies
Any plan required to be transmitted to the Congress shall, at least 30 days prior to such transmission, be submitted for review and comment (a) to the Secretary of the Interior if it includes reclamation or irrigation works or affects public or other land or wildlife under his jurisdiction, and (b) to the Secretary of the Army if it includes Federal assistance for floodwater detention structures.

Approval of Application by State
Application for assistance must be reviewed by State agency or by State Governor. Affirmative approval of application required as a matter of policy.

Cost Sharing (continued)

(4) Domestic, industrial, and municipal water supply and commercial power are reimbursable in full within 50 years with interest at government long-term borrowing rate as determined by the Secretary of the Treasury.

Construction Authority
None - must be by local organization.

Review of Plans by Federal Agencies
The Fish and Wildlife Service must be consulted during the planning of such projects, even when no request has been made for non-reimbursable grants for fish and wildlife benefits.

The Corps of Engineers must be consulted whenever the project plan proposes non-reimbursable allocations for flood control.

Approval of Proposal by State
Before consideration of a proposal by the Bureau, it must have been found feasible by the Governor of the State in which the project is located, or State agency designated by him. No time limit for consideration by State.
Consideration of Plans by Other States

No requirement for review by other States.

Approval of Plans

I. By Congressional Committees

A. Requires approval by appropriate committees of Congress before appropriations are made for any plan where:

1. The Federal contribution to construction costs is in excess of $250,000, or
2. The plan includes any structure which provides more than 2,500 acre-feet of total capacity.

B. Requires approval of each plan by the Committee on Agriculture and Forestry of the Senate and Committee on Agriculture of the House if it includes no structure providing more than 4,000 acre-feet of total capacity.

C. If the plan includes a structure of more than 4,000 acre-feet of total capacity, approval by the Senate and House Committees on Public Works is required.

Review of Plans by the Congress

An amendment to P.L. 93-4 passed by the Congress on May 23, 1957, provides: "No appropriation shall be made for financial participation in any such project prior to sixty calendar days (which sixty days, however, shall not include days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which the Secretary's findings and approval are submitted to the Congress and then only if, within said sixty days, neither the House nor the Senate Interior and Insular Affairs Committee disapproves the project proposal by committee resolution."
Approval of Plans (continued)

II. By the Administrator, Soil Conservation Service

Prior to providing Federal assistance in the installation of works of improvement, the Administrator of the Soil Conservation Service shall approve or disapprove those plans for works of improvement which are not required to be transmitted to the Congress, and shall recommend approval or disapproval of those plans which are required to be transmitted to the Congress.

Loan Authority

Authorizes Secretary of Agriculture to make loans or advancements with a maximum 50-year repayment period with interest at Government's long-term borrowing rate as determined by the Secretary of the Treasury on formula included in the Act. Fiscal Year 1957 interest rate of 2.591% has been determined. Loans or advancements may be made under contracts or agreements, and are limited to $5,000,000 for any one plan for works of improvement.

The loan provisions of the Act are administered by the Farmers Home Administration. Determination of eligibility of local organization, as well as processing of the loan and security documents, are the responsibility of that agency. When it becomes known during the development of a watershed work plan that local organization may desire a loan, the Soil Conservation Service advises the Farmers Home Administration so it may give preliminary consideration to loan.

Loan Authority

Provides for loans without interest for 50 years for reimbursable amounts allocated to irrigation of lands not in excess of 160 acres in a single ownership.

Provides for 50-year loans, at Government's long-time borrowing rate determined by Secretary of the Treasury under formula set up in the Act, for domestic, industrial, and municipal water supplies, power development features and the irrigation of lands in excess of 160 acres in a single ownership. Rate of interest for F.Y. 1957 - 3.0%.

Interest charged on land in excess of 160 acres receiving irrigation benefits in a single ownership in each year, based on proportionate share of project costs allocated to irrigation. Grants may also be made for purposes considered non-reimbursable under Reclamation Law. Maximum loan and/or grant for one project $5,000,000.
Miscellaneous Provisions

(1) Requires local organization to retain or employ professional engineer(s) satisfactory to the Secretary for all structures providing for municipal or industrial water supplies.

(2) Permits local organization to retain or employ professional engineer(s) satisfactory to the Secretary for installation of any works of improvement. When the local organization utilizes the services of professional engineers on work chargeable to flood prevention and agricultural water management, the Service will reimburse it for the cost of such services. The Act provides the advances for payment of costs of engineering services shall not exceed 5 percent of the estimated total construction cost.

(3) Requires allocation of costs by purposes.

(4) Requires local organizations to submit satisfactory plan of repayment for any loan.

(5) Authorizes the Secretary "to prepare plans and estimates required for adequate engineering evaluation".

Inter-Agency Coordination

Act provides that President shall issue such rules and regulations as are necessary to carry out purposes of Act, and to assure coordination of work authorized under Act with related work of other agencies. This has been done and is included in the procedure for the Watershed Protection and Flood Prevention Program.

Miscellaneous Provisions

Upon request by local organization, Federal agencies may provide any existing engineering, economic or hydrologic information and printed matter useful to the project. Costs of such material are reimbursable if applicable to reimbursable features of the project.

Local organization is to provide all technical services required for the project. Costs preliminary to application must be paid from local funds but final planning, designs and construction supervision may be paid from the loan. No restriction on the selection of technical services. Specialized technical services may be provided by Bureau if satisfactory services are not available, but only if requested and only if paid for in full.

Allocation of costs will be required whenever projects serve more than one purpose.

Inter-Agency Coordination

No requirement or provision for coordination with related work of other agencies, except with the Fish and Wildlife Service and with the Corps of Engineers for those projects involving a grant for flood control; such coordination to be completed before application for loan or grant is submitted.
Watershed Protection and Flood Prevention Act, as amended*

AN ACT

To authorize the Secretary of Agriculture to cooperate with States and local agencies in the planning and carrying out of works of improvement for soil conservation, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That erosion, floodwater, and sediment damages in the watersheds of the rivers and streams of the United States, causing loss of life and damage to property, constitute a menace to the national welfare; and that it is the sense of Congress that the Federal Government should cooperate with States and their political subdivisions, soil or water conservation districts, flood prevention or control districts, and other local public agencies for the purpose of preventing such damages and of furthering the conservation, development, utilization, and disposal of water and thereby of preserving and protecting the Nation’s land and water resources.

SEC. 2. For the purposes of this Act, the following terms shall mean:
The "Secretary" --the Secretary of Agriculture of the United States.

"Works of improvement" --any undertaking for--
(1) flood prevention (including structural and land-treatment measures) or
(2) the conservation, development, utilization, and disposal of water
in watershed or subwatershed areas not exceeding two hundred and fifty thousand acres and not including any single structure which provides more than five thousand acre-feet of floodwater detention capacity, and more than twenty-five thousand acre-feet of total capacity. No appropriation shall be made for any plan involving an estimated Federal contribution to construction costs in excess of $250,000, or which includes any structure which provides more than twenty-five hundred acre-feet of total capacity unless such plan has been approved by resolutions adopted by the appropriate committees of the Senate and House of Representatives: Provided, That in the case of any plan involving no single structure providing more than 4,000 acre-feet of total capacity the appropriate committees shall be the Committee on Agriculture and Forestry of the Senate and the Committee on Public Works of the Senate and the Committee on Public Works of the House of Representatives, respectively. A number of such subwatersheds when they are component parts of a larger watershed may be planned together when the local sponsoring organizations so desire.

"Local organization" --any State, political subdivision thereof, soil or water conservation district, flood prevention or control district, or combinations thereof, or any other agency having authority under State law to carry out, maintain and operate the works of improvement; or any irrigation or reservoir company, water users' association, or similar organization having such authority and not being operated for profit that may be approved by the Secretary.

SEC. 3. In order to assist local organizations in preparing and carrying out plans for works of improvement, the Secretary is authorized, upon application of local organizations if such application has been submitted to, and not disapproved within 45 days by, the State agency having supervisory responsibility over programs provided for in this Act, or by the Governor if there is no State agency having such responsibility--
(1) to conduct such investigations and surveys as may be necessary to prepare plans for works of improvement;
(2) to prepare plans and estimates required for adequate engineering evaluation;
(3) to make allocations of costs to the various purposes to show the basis of such allocations and to determine whether benefits exceed costs;
(4) to cooperate and enter into agreements with and to furnish financial and other assistance to local organizations: Provided, That, for the land-treatment measures, the Federal assistance shall not exceed the rate of assistance for similar practices under existing national programs;
(5) to obtain the cooperation and assistance of other Federal agencies in carrying out the purposes of this section.

SEC. 4. The Secretary shall require as a condition to providing Federal assistance for the installation of works of improvement that local organizations shall--
(1) acquire, or with respect to interests in land to be acquired by condemnation provide assurances satisfactory to the Secretary that they will acquire, without cost to the Federal

Provided, That in addition to and without limitation on the authority of the Secretary to make
loans or advancements under section 8, the Secretary may pay for any storage of water for antic-
above each retention reservoir to be installed with Federal assistance; and
Federal programs, of the costs of installing any works of improvement, involving Federal assist-
ance (excluding engineering costs), which is applicable to the agricultural phases of the con-
servation, development, utilization, and disposal of water or for fish and wildlife or recrea-
tional development, and (B) all of the cost of installing any portion of such works applicable
to other purposes except that any part of the construction cost (including engineering costs)
applicable to flood prevention and features relating thereto shall be borne by the Federal
secretary for such water supply storage for anticipated future demands shall be repaid within the
life of the reservoir structure constructed or modified under the provisions of this Act not to exceed 30 per centum
of the total estimated cost of such reservoir structure where the local organization gives rea-
sonable assurances, and there is evidence, that such demands for the use of such storage will
be made within a period of time which will permit repayment of the cost of such water supply
storage within the life of the reservoir structure; Provided further, That the local organiza-
tion shall agree prior to initiation of construction or modification of any reservoir structure
including such water supply storage to repay the cost of such water supply storage for antic-
pipated future demands: And provided further, That the entire amount of the cost paid by the Sec-
retary for such water supply storage for anticipated future demands shall be repaid within the
life of the reservoir structure but in no event to exceed fifty years after the reservoir struc-
ture is first used for the storage of water for water supply purposes, except that (1) no repay-
ment of the cost of such water supply storage for anticipated future demands need be made until
such supply is first used, and (2) no interest shall be charged on the cost of such water supply
storage for anticipated future demands until such supply is first used, but in no case shall the
interest-free period exceed ten years. The interest rate used for purposes of computing the
interest on the unpaid balance shall be determined in accordance with the provisions of section 8.
(3) make arrangements satisfactory to the Secretary for defraying costs of operating and
maintaining such works of improvement, in accordance with regulations presented by the Secretary
of Agriculture.
(4) acquire, or provide assurance that landowners or water users have acquired, such water
rights, pursuant to State law, as may be needed in the installation and operation of the work of
improvement.
(5) obtain agreements to carry out recommended soil conservation measures and proper farm
plans from owners of not less than 50 per centum of the lands situated in the drainage area
above each reservoir to be installed with Federal assistance; and
(6) submit a plan of repayment satisfactory to the Secretary for any loan or advancement made
under the provisions of section 8.
SEC. 5. (1) At such time as the Secretary and the interested local organization have agreed on a plan for works of improvement, and the Secretary has determined that the benefits exceed the costs, and the local organization has met the requirements for participation in accordance with the provisions of section 4, the local organization may secure engineering and other services, including the design, preparation of contracts and specifications, awarding of contracts, and supervision of construction, in connection with such works of improvement, by retaining or employing a professional engineer or engineers satisfactory to the Secretary or may request the Secretary to provide such services: Provided, That if the local organization elects to employ a professional engineer or engineers, the Secretary shall reimburse the local organization for the costs of such engineering and other services secured by the local organization as are properly chargeable to such works of improvement in an amount not to exceed the amount agreed upon in the plan for works of improvement or any modification thereof: Provided further, That the Secretary may advance such amounts as may be necessary to pay for such services, but such advances with respect to any works of improvement shall not exceed 5 per centum of the estimated installation cost of such works.

(2) Except as to the installation of works of improvement on Federal lands, the Secretary shall not construct or enter into any contract for the construction of any structure.

(3) Whenever the estimated Federal contribution to the construction cost of works of improvement in the plan for any watershed or subwatershed area shall exceed $250,000 or the works of improvement include any structure having a total capacity in excess of twenty-five hundred acre-feet, the Secretary shall transmit a copy of the plan and the justification therefor to the Congress through the President.

(4) Any plan for works of improvement involving an estimated Federal contribution to construction costs in excess of $250,000 or including any structure having a total capacity in excess of twenty-five hundred acre-feet (a) which includes reclamation or irrigation works or which affects public or other lands or wildlife under the jurisdiction of the Secretary of the Interior, (b) which includes Federal assistance for floodwater detention structures, shall be submitted to the Secretary of the Interior or the Secretary of the Army, respectively, for his views and recommendations at least thirty days prior to transmission of the plan to the Congress through the President. The views and recommendations of the Secretary of the Interior, and the Secretary of the Army, if received by the Secretary prior to the expiration of the above thirty-day period, shall accompany the plan transmitted by the Secretary to the Congress through the President.

(5) Prior to any Federal participation in the works of improvement under this Act, the President shall issue such rules and regulations as he deems necessary or desirable to carry out the purposes of this Act, and to assure the coordination of the work authorized under this Act and related work of other agencies, including the Department of the Interior and the Department of the Army.

SEC. 6. The Secretary is authorized in cooperation with other Federal and with States and local agencies to make investigations and surveys of the watersheds of rivers and other waterways as a basis for the development of coordinated programs. In areas where the programs of the Secretary of Agriculture may affect public or other lands under the jurisdiction of the Secretary of the Interior, the Secretary of the Interior is authorized to cooperate with the Secretary of Agriculture in the planning and development of works or programs for such lands.

SEC. 7. The provisions of the Act of June 22, 1936 (49 Stat. 1570), as amended and supplemented, conferring authority upon the Department of Agriculture under the direction of the Secretary of Agriculture to make preliminary examinations and surveys and to prosecute works of improvement for runoff and waterflow retardation and soil erosion prevention on the watersheds of rivers and other waterways are hereby repealed: Provided, That (a) the authority of that Department of Agriculture, under the direction of the Secretary, to prosecute the works of improvement for runoff and waterflow retardation and soil erosion prevention authorized to be carried out by the Department by the Act of December 22, 1944 (58 Stat. 887), as amended, and (b) the authority of the Secretary of Agriculture to undertake emergency measures for runoff retardation and soil erosion prevention authorized to be carried out by section 7 of the Act of June 28, 1938 (52 Stat. 1215), as amended by section 216 of the Act of May 17, 1950 (64 Stat. 165), shall not be affected by the provisions of this section: Provided further, That in connection with the eleven watershed improvement programs authorized by section 13 of the Act of December 22, 1944 (58 Stat. 887), as amended and supplemented, the Secretary of Agriculture is authorized to prosecute additional works of improvement for the conservation, development, utilization, and disposal of water in accordance with the provisions of section 4 of this Act or any amendments hereafter made thereto.

SEC. 8. The Secretary is authorized to make loans or advancements (a) to local organizations to finance the local share of costs of carrying out works of improvement provided for in this Act, and (b) to State and local agencies to finance the local share of costs of carrying out works of improvement (as defined in section 2 of this Act) in connection with the eleven watershed
improvement programs authorized by section 13 of the Act of December 22, 1944 (58 Stat. 887), as amended and supplemented; Provided, That the works of improvement in connection with said eleven watershed improvement programs shall be integral parts of watershed or subwatershed work plans agreed upon by the Secretary of Agriculture and the concerned State and local agencies. Such loans or advancements shall be made under contracts or agreements which will provide, under such terms and conditions as the Secretary deems appropriate, for the repayment thereof in not more than fifty years from the date when the principal benefits of the works of improvement first become available, with interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which the loan or advancement is made, which are neither due nor callable for redemption for fifteen years from date of issue. With respect to any single plan for works of improvement, the amount of any such loan or advancement shall not exceed five million dollars.

SEC. 9. The provisions of this Act shall be applicable to Hawaii, Alaska, Puerto Rico, and the Virgin Islands.

SEC. 10. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act, such sums to remain available until expended. No appropriation hereafter available for assisting local organizations in preparing and carrying out plans for works of improvement under the provisions of section 3 or clause (a) of section 8 of this Act shall be available for any works of improvement pursuant to this Act or otherwise in connection with the eleven watershed improvement programs authorized by section 13 of the Act of December 22, 1944 (58 Stat. 887), as amended and supplemented, or for making loans or advancements to State and local agencies as authorized by clause (b) of section 8.

SEC. 11. This Act may be cited as the "Watershed Protection and Flood Prevention Act".

SEC. 12. When the Secretary approves the furnishing of assistance to a local organization in preparing a plan for works of improvement as provided for in section 3:

(1) The Secretary shall so notify the Secretary of the Interior in order that the latter, as he desires, may make surveys and investigations and prepare a report with recommendations concerning the conservation and development of wildlife resources and participate, under arrangements satisfactory to the Secretary of Agriculture, in the preparation of a plan for works of improvement that is acceptable to the local organization and the Secretary of Agriculture.

(2) Full consideration shall be given to the recommendations contained in any such report of the Secretary of the Interior as he may submit to the Secretary of Agriculture prior to the time the local organization and the Secretary of Agriculture have agreed on a plan for works of improvement. The plan shall include such of the technically and economically feasible works of improvement for wildlife purposes recommended in the report by the Secretary of the Interior as are acceptable to, and agreed to by, the local organization and the Secretary of Agriculture, and such report of the Secretary of the Interior shall, if requested by the Secretary of the Interior, accompany the plan for works of improvement when it is submitted to the Secretary of Agriculture for approval or transmitted to the Congress through the President.

(3) The cost of making surveys and investigations and of preparing reports concerning the conservation and development of wildlife resources shall be borne by the Secretary of the Interior out of funds appropriated to his Department.

As amended September 27, 1962.
## YOUR WATERSHED PROGRAM - COLORADO

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<td>Provides Authority to Local People</td>
<td>For the purpose of:</td>
<td>Reducing soil erosion, floodwater and sediment damages which constitute a menace to the National welfare, and of furthering the conservation, development, utilization and disposal of water, thereby preserving and protecting the Nation's land and water resources.</td>
<td></td>
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<tr>
<td>Application for Assistance</td>
<td>Local sponsors submit application to State Soil Conservation Board and State Conservationist, Soil Conservation Service</td>
<td>Watershed must contain less than 250,000 acres. Application should outline problems, kinds of measures applicable for solution, legal authority of local sponsoring organization(s) to levy assessments, condemn property and let contracts. For mutual water companies or water users associations, should show authority under State law to carry out, maintain and operate works of improvement.</td>
<td>0</td>
</tr>
<tr>
<td>Work Plan Development</td>
<td>Local organization(s), Federal and State agencies</td>
<td>Collection and analysis of physical and economic data on conservation measures, engineering, hydrology, plant technology, geology, wildlife and economics for development of a plan of action to solve watershed problems.</td>
<td>Principally</td>
</tr>
<tr>
<td>Land Treatment: a. Individual ownerships</td>
<td>Local farmers and ranchers</td>
<td>Proper land use and treatment is a basic requirement. Includes soil and water conservation practices carried out by operators on farms and ranches.</td>
<td>0</td>
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<tr>
<td></td>
<td>b. With approval of State Conservationist financial assistance may be provided</td>
<td>Measures for critical area stabilization, intensified fire protection and control, minor gully control and other structures, and special purpose measures.</td>
<td>Not exceeding other Federal authority</td>
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<td>Structural Measures a. Irrigation and drainage</td>
<td>Federal, State and local organizations</td>
<td>Channel improvement, floodwater detention dams, dikes, levees, debris basins, riprap, revetments, grade stabilizing structures, gully plugs, critical area stabilization.</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>b. Municipal and Industrial Water Supply</td>
<td>Federal, State and local organizations</td>
<td>Canals, ditches, headworks, pumping installations, irrigation water storage, pipelines, drainage systems.</td>
</tr>
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<td></td>
<td>Fish and Wildlife Development</td>
<td>Local organization</td>
<td>Storage, pipelines, provision for future needs.</td>
</tr>
<tr>
<td>Recreation</td>
<td>State and local agencies and organizations</td>
<td>Habitat improvements: Storage capacity in reservoirs, modification of structures, stream channel improvement, marsh and pit development.</td>
<td>Up to 50%</td>
</tr>
<tr>
<td>Land and Water Rights</td>
<td>State and local agencies and organizations</td>
<td>Rights-of-way by deed, easement or permit as required before Federal funds are provided for construction following approval of work plan.</td>
<td>0</td>
</tr>
<tr>
<td>State laws and regulations</td>
<td>Local organizations</td>
<td>Local contracting organization (usually one of project sponsors) advertises for bids and awards construction contracts.</td>
<td>0</td>
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<tr>
<td>Contracting Structural Works of Improvement (Administrative Costs)</td>
<td>Local organizations</td>
<td>Loans are available from USDA through FHA at low interest rate for up to 50 years. Limited assistance available from State sources.</td>
<td>0</td>
</tr>
<tr>
<td>Technical Assistance (Land use and professional engineering services)</td>
<td>Principally Federal with State and local assistance</td>
<td>For municipal and industrial water supply development.</td>
<td>0</td>
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<tr>
<td>A Proposed Project Will Succeed if Educational Program Is Carried Out and Local Obligations Are Assumed By:</td>
<td>Local organizations and individuals</td>
<td>Develop local leadership; gain approval of local people; promote group interest and action; guide work plan development; provide qualifying local organizations; hold public hearings and stimulate application of land treatment measures.</td>
<td>Assistance available under leadership of local sponsors.</td>
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U.S. Department of Agriculture
Soil Conservation Service

GPO 833334
APPLICATION FOR ASSISTANCE IN PLANNING AND CARRYING OUT WORKS OF IMPROVEMENT
UNDER THE WATERSHED PROTECTION AND FLOOD PREVENTION ACT

TO: The Honorable Secretary of Agriculture
United States Department of Agriculture

The undersigned local organizations make application for Federal assistance under the Watershed Protection and Flood Prevention Act in preparing and carrying out plans for works of improvement for the Consolidated Home Supply Ditch and Reservoir Company Watershed tributary to the Big Thompson River, State of Colorado.

The following information is submitted in support of the application:

I. Size of watershed (maps to be made on county roads) = 53.2 sq. mi.
   Private land: (See USGS for most of boundary) = 34,048 acres
   State land: = 0 acres
   Total = 34,048 acres

II. Location:

The watershed is located in Larimer (approximately 31.8 square miles) and Weld Counties (approximately 21.4 square miles), Colorado, and includes lands served by the Consolidated Home Supply Ditch and Reservoir Company. These lands comprise part of the irrigated area south of the Big Thompson River in the vicinity of Campion and Johnstown, Colorado. All of the watershed lands are within the boundaries of the Big Thompson Soil Conservation District. Most of these lands are tributary to the Big Thompson River but a small portion of the southeast end of the system is tributary to the Little Thompson River. The present ditch and reservoir system comprises one reservoir for direct use of the system and one reservoir for exchange of stored water for direct diversion.

Distribution of Land use:

1. Irrigated land = 28,465 acres
2. Dry cropland = 3,227 acres
3. Rangeland = 2,356 acres
4. Miscellaneous * = 0 acres

Total = 34,048 acres

* Ditches, reservoirs, highways, farm buildings, towns, etc.
III. Watershed Problems

A. Floodwater, sediment, and erosion damage. - Untreated watershed lands above the main canal are a source of floodwater and sediment damage to irrigation facilities and to irrigated lands. The principal source of floodwater is from storm runoff from an un-named draw near the upper end of the watershed area. This runoff originates on rangeland. The excess floodwater may overtop the canal and cause damage to downstream irrigated lands as well as overtopping and sedimentation of other canals crossing the lower floodplain.

The principal sediment damage results from deposition of silt and fine sand in road borrow ditches, irrigation ditches, drainage ditches, irrigation structures, and the lower ends of irrigated fields. These damages are scattered over the watershed area and in most cases the damaging sediment is derived from adjacent areas.

The soil losses on the dry cropland and rangeland are moderate and result principally from sheet erosion. The principal cause of erosion on the steeper irrigated fields is rilling along crop rows and seeping at upper ends of the fields. This erosion is the source of sediment deposited in the lower ends of the fields and into irrigation and road ditches.

Although these floodwater, sediment and erosion damages occur throughout the watershed, they are not of the extent and type requiring an extensive program of structural measures and for the most part can be alleviated by the application of a program of land treatment measures.

B. The irrigation water is derived from direct diversion from the Big Thompson River under decrees which can supply water during a short period of time when the river is at a maximum flow. Consequently, during drought years little or no water is derived from this source. Storage rights for irrigation are of highest priority, but the storage capacity of the reservoirs is often insufficient to supply the needs for the entire season. Additional irrigation water is often purchased by the Company and by stockholders, but during drought years this water is not available or is extremely expensive.

During a six-year period of 1954-1959, inclusive there were three years of drought with short water supply and three years of above normal precipitation and stream flow. The peak seasonal runoff from the snow melt during each of these latter three years has exceeded the available combined storage capacity of all reservoirs in the Big Thompson River valley. Much valuable water was passed downstream and some flood damage was experienced.
III. B. Con't.

Since the completion of the Colorado-Big Thompson Diversion Project, which supplies supplemental irrigation to the historical irrigation rights in this valley, careful study of irrigation records indicates that a more dependable source of additional irrigation storage is now available. The individual owners of project water treat this water as an insurance and do not use their allotment until late in the year when normal irrigation can no longer supply their needs. Consequently, if the late summer and fall precipitation is above normal, there is less use required of this insurance water, and a considerable portion of the project water then remains in storage and occupies storage space which could be filled under the high priority for direct storage in the reservoirs. If the contemplated reservoir is constructed, the unused insurance water could be transferred to the new reservoir, and thus an additional supply of stored water would be created with a resulting direct irrigation benefit. An exhibit is attached with statistical information showing the availability and need of this supplemental water.

Further proof of the need for additional storage are the Ditch Company records that prove peak demands for irrigation water now occurs 4 to 6 weeks later than it did 25 years ago. Proportionate crop acreages have also changed. Then-3/4 hay and grain; 1/4 row crops. Now- 1/4 hay and grain; 3/4 row crops. Another 25 years will see this spread still wider. All this places greater value on later (stored) water, less on early (direct flow) water.

The distribution system has sections that are high in seepage losses, need clearing of phreatophytes, and need realignment and stabilization of grades. The entire system is in need of improved water handling facilities.

The domestic and industrial water supply of Johnstown, Colorado, (approximately 3,000 acre-feet per year) is transported through the Consolidated Home Supply Ditch to the Johnstown Municipal Reservoir and it is known that the transportation losses borne by the Ditch Company are too high. Any losses that can be prevented will result in a direct benefit of more water for the use of irrigation stockholders.

All of the irrigated lands in the watershed need, and will benefit from, the application of improved water management practices.

IV. Project Objectives

A. To increase the rate of application of land treatment measures for watershed protection on the lands above the canals and reservoirs and to accelerate application of water management practices and methods on the watershed lands.
IV. Project Objectives Cont't

B. To provide another reservoir of 5000-8000 Ac. ft. capacity for the regulation and storage of excess water for late season irrigation use to insure better utilization of water and increased crop yields to the entire project, particularly in years of short water supply. This reservoir will also provide flood water and sediment protection to existing downstream reservoirs, ditches, structures, and irrigated lands. It is not planned nor is it feasible that any new land be brought under irrigation as a result of this project.

C. Provide better use of and to save water supplies by:

1. Lining of canals where economically advisable.
2. Elimination of water-using plants.
3. Realignment and shortening of canal sections.
4. Modernization of diversions, spillways, water turnouts, and measuring facilities.
5. Improvement of the on-farm water application and water management practices.

V. Type of watershed measures believed to be needed:

A. Land treatment measures for watershed protection on lands both above and below the Company ditches and reservoirs.

B. A new reservoir for flood prevention, sediment storage, and irrigation storage for the stabilization of water needs through equalization of the season's water supply.

C. Lining of canals and laterals where needed.

D. Elimination of phreatophytes.

E. Realignment and stabilization of canals.

F. Modernization of structures for the diversion, control, and measuring of water throughout the system.

G. Conservation plans developed on individual farms and ranches that will provide for improved watershed conditions and improved water application methods. These include better grazing management, crop residue management, crop rotations and tillage, and installation of properly designed and installed diversions, headgates, ditch systems, land leveling, and drainage on individual farms.

VI. Type of assistance, other than planning, believed to be needed by the sponsors in treating the watershed:

A. Technical assistance will be needed in the preparation of designs, specifications, and contracts.

B. Additional technical assistance will be needed for farm and ranch planning and application.
VI. Type of assistance -- Con't.

C. Local financial obligations for the installation of the structure program will be provided through assessments against stockholders of the Consolidated Home Supply Ditch and Reservoir Company. Both short-term and long-term provisions for loans under Section VIII of the Act will be utilized.

D. Individual landowners will utilize the facilities and financial assistance available from other agricultural programs for their land treatment programs.

VII. Interest of Local People.

A. The Consolidated Home Supply Ditch and Reservoir Company is definitely interested in this proposed watershed program for flood prevention and the conservation, development, utilization, and disposal of water. As evidence of this interest, the stockholders of said Company, at the annual stockholders meeting held December 14, 1959, unanimously voted to authorize the directors to make application for assistance under the Watershed Protection and Flood Prevention Act (P. L. 566) and to sponsor this application in conjunction with the Big Thompson Soil Conservation District. In addition, the stockholders directed the President, George W. Lee, to appoint a land appraisal committee to seek option on the lands embraced by the proposed reservoir site. This committee has been appointed and is taking action.

B. The Board of Supervisors of the Big Thompson Soil Conservation District has discussed this proposed watershed project and has agreed to co-sponsor this program with the Consolidated Home Supply Ditch and Reservoir Company.

C. The local farmers and ranchers are definitely interested in land treatment for better watershed conditions and for improved water management and control. There are 213 District agreements covering 25,421 acres in this proposed area at this date. This is evidenced by the amount of work being done on land leveling, ditch and structural rehabilitation, and drainage with the technical assistance of Soil Conservation Service and cost sharing assistance of the Agricultural Program.

D. All of the watershed people, local business men, and the city, county, and state units of government are definitely interested in any program that will improve the agricultural production and economic condition of the community. Agriculture is the primary enterprise in this area.
VII. Interest of Local People. - Con't.

E. The local people have a good record of working together on community enterprises as is evidenced by the recent formation of:

(1) Northern Colorado Water Conservancy District
(2) Big Thompson Soil Conservation District
(3) Big Thompson Milling and Elevator Company

The local people are willing to increase share assessments to provide land easements and rights-of-way and to operate and maintain installed structures.

F. There is no evidence of opposition to the proposed project.

VIII. Local Participation.

A. General obligations of sponsor. As stated in VII above, the sponsor obligations will be taken care of. The Ditch Company has a modest reserve of funds. Annual assessment against shareholders will be increased. The Company plans to utilize loan provisions of the Act to help keep the increased assessment rates at a reasonable level.

B. Water Rights. Company stockholders now own or have under their control sufficient water rights for additional storage and exchanges and the Company will make whatever additional water filings that may be needed to conform to Colorado State Water Laws.

IX. Estimated time to complete project.

An accelerated land treatment program will be emphasized but the amount of time needed to provide adequate protection to the proposed reservoir and distribution facilities, and to accomplish improved water management will take a minimum of five years.

The watershed structural measures for flood prevention and water management utilization and distribution of water will take five or more years to install.
Witness the signatures of the undersigned sponsoring local organizations on the dates shown below.

(Name of Local Organization)
By: (Sig.) ____________________________
Title: ____________________________
(Date) ____________________________

This action authorized at an official meeting of (Name of Local Organization) on ______ at ______, State of ______, at ______, at ______, State of ______, at ______, Secretary.

The above local organizations request that all correspondence or contacts pertaining to this application be directed to:

W. A. Keines
Estes Park Post Office
Loveland, Colorado

The foregoing application for Federal assistance under the Watershed Protection and Flood Prevention Act is hereby approved.

Colorado State Soil Conservation Board

Send original and one copy to State Soil Conservation Board and one copy to the State Conservationist, SCS, Denver, Colorado.