Remarks by G. G. Stamm, Assistant Regional Director  
before Kiwanis Club, The Dalles, Oregon  
April 30, 1959

Perhaps, before I go into details concerning the Western Division of The Dalles Project, I should briefly cover the over-all activities of the Bureau of Reclamation here in the Pacific Northwest. Region I of the Bureau, with headquarters in Boise, Idaho, includes Oregon, Washington, Idaho, and the Columbia River drainage areas of western Wyoming and western Montana.

The Bureau of Reclamation has been a part of the Pacific Northwest since passage of the Reclamation Act of 1902. The Umatilla Project, just up-river from here, was one of the earliest projects undertaken under this legislation.

Since the turn of the century, the Federal government has invested over $900 million in Reclamation projects in this Region. Last year, full or supplemental irrigation water through or from facilities constructed by the Bureau was available to over 2,767,000 acres. Crops produced on these lands last year had an estimated gross value of $270,859,412, or about $112.45 per acre. (2,408,627 acres net in cultivation). The estimated total cumulative value of crops produced over the years is $4-3/4 billion.

In addition, power generating facilities on Bureau of Reclamation projects in this Region have added 2,446,150 kilowatts
of installed capacity to the power system of the area. Last year, (Calendar 1958) for example, the net generation at these powerplants totaled about 12-1/2 billion (12,487,214,890) kilowatt-hours.

One thing I probably should mention is that the costs of all irrigation and power facilities of Bureau of Reclamation projects are returned 100% to the Federal treasury through one form of repayment or another. The costs associated with irrigation are returned without interest. Those allocated to commercial power are returned to the Federal treasury with interest. Wherever possible, when the irrigation costs are determined to be beyond the repayment ability of the individual water users, the irrigator is required to pay to the extent of his ability, and the remaining costs allocated to irrigation are picked up by some form of outside financial assistance--generally from Federal powerplants associated with the project or in the area.

Four hundred and forty-eight different entities have contracts with the Bureau in Region 1. Irrigation repayment contracts in Region 1 totaled $257,824,771 as of June 30, 1958, and of the $50,491,439 matured charges due at that time, only 3/100 of one percent were delinquent. One hundred thirty-four contracts with irrigation districts, canal companies, and similar water users' organizations have been repaid in full.
Irrigation and multiple-purpose works constructed by the Bureau of Reclamation in Region 1 have also contributed significantly to the control of floods on the Columbia River and its tributaries, to improvement of navigation, to additional recreational opportunities, and to improved conservation of fish and wildlife.

In the State of Oregon at the present time, the Bureau has under construction three separate projects. There is the Talent Division of the Rogue River Basin Project in southern Oregon, which will provide a full water supply to approximately 5,300 acres and a supplemental supply to about 23,700 acres when the project is completed. The associated Green Springs Powerplant will have an installed capacity of 16,000 kilowatts. The construction of that project is well along, and the powerplant is expected to go into operation late this summer.

A little closer to us here at The Dalles is the Juniper Division of the Wapinitia Project, which involves construction of a small dam at the outlet to Clear Lake to provide supplemental water to about 2,100 acres. This project, too, is well along in its construction.

Major construction, of course, is just now getting underway on the Crooked River Project, which includes the Prineville Dam on the Crooked River. That project, when it is completed, will immediately provide irrigation to over 20,000 acres of land—about one-half
of which will be new land, and, in addition, will provide nearly 100,000 acre-feet of reservoir space for future irrigation use.

You might be interested in hearing that we are now approaching the half-way mark in the development of the million-acre-plus Columbia Basin Project. Last year, water was available to over 386,000 acres on the project. The estimated gross value of crops on the 245,000 acres cultivated was nearly $34-1/2 million. We all recognize the tremendous beneficial impact on the economy of the Pacific Northwest by this development. Negotiations are now underway regarding amending the repayment contracts on this vast project, since we are also fast approaching the $281 million dollar maximum contracted irrigators' repayment figure. Increased construction costs and the need for more drainage facilities are the primary reasons for the present situation.

So much for the Bureau's over-all activities in the Pacific Northwest, now I'll try to give you a brief resume of the Bureau's proposed development of The Dalles Project, Western Division.

Back in the late 1940's, the Bureau studied the possibilities for irrigation development in this area. A report prepared by the Bureau was submitted to the Congress in 1949 by then Secretary of the Interior Oscar Chapman, who recommended that the
project be authorized for construction. The Bureau of the Budget
did not object to the submission of the report to the Congress,
although the project was considered to be of a low priority nature.
The estimated construction cost of the project then was $2,300,000.

No concerted action was taken by local interests to support
the recommended project or push for its authorization at that time.
Prior to and during the investigation, several individual orchardists
and small groups drilled wells and installed pumps to irrigate. They
were opposed to abandonment of their installations and entrance into
a proposed district for establishment and operation of the river pumping project. They contended that they had an adequate water supply,
that they had obtained it at considerable expense, and that it could
be used at a cost no greater than the cost estimated for the proposed
project. In the face of the opposition, the advocates of the project
could see no chance of success in their efforts to carry through on
the formation of a district and the construction of the pumping project;

hence, the sponsors did not follow through on the potential project.

During the past few years, development of wells to obtain
an adequate ground-water supply for irrigation has proven to be a
most uncertain and costly venture in the area. Some wells have been
complete failures, and some that have been in use, now have a ser-
iously declining water supply, or have gone dry. In view of the
serious adverse conditions that now prevail, there is renewed interest and project-wide support for an organized irrigation development to provide an adequate water supply by pumping from the Columbia River. The current studies are aimed at providing a feasible plan of irrigation development closely correlated with the expressed desires of the prospective water users.

The present plan for irrigation in the Western Division includes a pumping system to lift water from the Columbia River and distribute it to project farms through a system of buried steel pipe. It is anticipated that all of the project lands will be irrigated by sprinkler methods. The project lands total some 5,420 irrigable acres, lying between 200 and 1200 feet elevation. About 4,900 acres will be served by a main pumping system, and the remaining 500 will be supplied by a small relift pumping system. With the exception of intake fish screens on the pumps, all of the facilities of the project are designed solely for irrigation. The existing supply works for the presently irrigated area in the project will not have any use in the new system.

The estimated total project cost is a little over $5,600,000 ($5,649,000). Almost all of these costs are assigned to irrigation, with only a very small amount ($17,600) allocated to fish and wildlife, and considered nonreimbursable.
The Western Division of The Dalles Project has economic justification as shown by a benefit-cost ratio of 2.26 to 1.00 based on an economic project life of 100 years. All reimbursable project costs will be repaid in a 50-year repayment period following a 10-year development period. With provision for a water users' replacement reserve, as provided in the Bureau's analysis, the water users would repay about 31 percent of the [reimbursable] irrigation costs, and the balance would be assigned to surplus power revenues from the Federal plants of the Columbia River System. Perhaps I had better define the phrase "surplus power revenues." Federal power-plants in the Columbia River system must operating costs and repay construction costs. In addition, in several instances financial assistance to irrigation from power revenues has been authorized by the Congress. This, too, must be met. Surplus power revenues will be the component of the gross power revenues that have been used to meet the annual financial requirement for amortization of the power investment and authorized financial assistance after those costs have been paid.

With full project development, about 87% of the irrigable area is expected to be in orchards, compared to about 65% at present. Some of the lower lying lands with poor air drainage have too great a risk of frost damage to be recommended for orchard
production. The present plan would be that these lands be used to
grow specialty crops, such as melons, cabbage, peas, lettuce, and
tomatoes.

There has been strong local interest and cooperation
throughout the course of the present investigation. The Dalles
Improvement District was formed by the prospective water-users, and
the District has taken an active part in the study, including the deter-
mination of acreages to be included in the project plan, location of
such acreages, and various other matters which entered into the
planning of the project. The present interest shown in The Dalles
area indicates a sincere desire for irrigation development.

The field studies of the Western Division of The Dalles
Project have been completed, and a report based on those studies
is now under review in the Commissioner's Office in Washington.
This does not mean, however, that the project will be in full pro-
duction next year. The time element in the planning and developing
of an irrigation project is not always understood.

After the Commissioner of Reclamation has approved the
report, it is forwarded to the Secretary of the Interior for review.
If the Secretary approves the report, it is then transmitted to the
Congress through the Bureau of the Budget for action by the Congress.
If, after Hearings by the appropriate House and Senate Committees, the project is authorized by the Congress and approved by the President, the Congress must then appropriate the necessary construction funds. Then, too, there is a considerable amount of work that must be done between the time the project is authorized and the time that construction is actually undertaken.

For example, once the Western Division of The Dalles Project is authorized by the Congress, the Bureau of Reclamation will have to prepare a final plan, or what we call a Definite Plan Report. If the interval between authorization and construction is short, the Definite Plan Report is little changed from the Feasibility Report. If the interval is great, changes may be significant. Concurrently with the preparation of this report, field data for engineering designs are gathered and negotiations will be initiated with the legal organization representing the newly authorized project for repayment of the costs allocated to irrigation. The repayment contract will set forth the obligation of the United States to build the project, the obligation of the District to repay, and will cover many other matters of relationship between the United States and the District, such as annual repayment installment, length of payment period, means for adjusting annual installments based on fluctuating price and cost levels, future operation and maintenance of the
irrigation system, and legislative limitations on acreages that can be served.

With the recent formation of The Dalles Improvement District, this project is over one big hurdle. This is a major accomplishment, and one which indicates the time, effort, and interest of the local people. After a suitable repayment contract has been negotiated between the Bureau and the District consistent with the authorizing legislation and general provisions of Reclamation law, the contract will have to be approved by the Secretary of the Interior, and the landowners must sign a "landowners notice", placing their lands subject to provisions of the contract and authorizing the District officers to proceed with the contract. After the contract has been signed on the District's behalf, execution by the Regional Director of the Bureau of Reclamation in Boise would follow. The contract will then require confirmation by the appropriate court in the State of Oregon. This latter step has become increasingly important in the eyes of Congress during recent years before construction can proceed.

Thus, you can note that there is a long step between project authorization and the turning of the first shovel-full of dirt. To be more specific, in the case of The Dalles Project, if the project were
authorized by the Congress in the next session, that is during July, 1960, the Bureau of Reclamation would prepare a Definite Plan Report, and at the same time negotiate with the District with respect to necessary repayment arrangements. The idea would be to have the Definite Plan Report and the contract negotiations completed so that construction could begin in the spring of 1961, if in time that the Congress could make available construction funds. Money were available. Otherwise, construction would be delayed until after July, 1961.

The Administration presently is holding to a policy of not creating an obligation which would not reach unprecedented heights in the next several years. However, at the same time, the Administration is in favor of continuing a sound and equitable Reclamation program throughout the arid areas of the West. As I mentioned earlier, here in the State of Oregon, we already have three projects under construction—the Talent Division, the Crooked River, and the Wapinitia Projects. However, it is apparent that even if we were to have The Dalles Project Western Division authorized next year, the time required prior to the initiation of construction would be such that before we actually started on this project, the other projects in Oregon which are now under construction would be either completed, or very nearly so. Thus, with the strong local support that The Dalles Project Western Division
has, I am optimistic that the Administration and the Congress will act in a positive fashion to see that it is developed favorably when it is presented for authorization.

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