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Speech by G. G. Stamm, Chief, Division of Irrigation and Land Use, Bureau of Reclamation, Before the Oregon Reclamation Congress, Medford, Oregon, November 29, 1962

I am very glad to have this opportunity to meet with the Oregon Reclamation Congress and to discuss Reclamation with you. This is a most important subject today for all of the West. Here in Oregon, it is of particular significance, and well deserves our serious discussion and consideration.

There is little doubt that all of the members of this Congress recognize fully the worth of Reclamation projects already developed and in operation in Oregon, and the important role that irrigation plays, in partnership with the other functions, in the comprehensive development of the state's water and land resources. The record over the years bears out your interest in assuring that a sound Reclamation program is a part of Oregon's future.

Nevertheless, I would like to review briefly the past, present, and future of Reclamation in Oregon. At the same time, I would like to point out the economic impact of this program as well as a few of the more difficult problems facing continued growth along this avenue of progress.
There are now in the neighborhood of 1.4 million acres under irrigation in Oregon. Some of the vast acreage dates back over a century to the time in 1851 when the first water-right filing in Oregon was granted for diversion from Emigrant Creek near Jacksonville. As you no doubt have been told, a considerable share of the total irrigated acreage has been developed through private financing, although Federal Reclamation projects in Oregon now embrace over 460,000 acres, or about one-third of the total. Estimated gross returns for crops produced on the Federal projects in Oregon in 1961 totaled over $49 million. Since passage of the Reclamation Act in 1902, these returns have aggregated over $862 million. About $2 of income is generated in the local community for each dollar of farm income. This certainly is a strong indication of the impressive contribution that irrigation alone has made to the growth and economic well-being of Oregon.

But gross crop values are only one measure of direct economic returns from Reclamation projects. There are many other returns of both direct and indirect economic value.

Operation of Reclamation reservoirs on a forecast
basis in order to provide as much flood control as can reasonably be accomplished is one such benefit. As an example, the flood of February 25, 1957, on the Malheur River at Vale had a peak discharge of 19,500 cubic feet per second. Without the operation of Agency Valley and Warm Springs reservoirs the flow would have been 8500 cfs greater with estimated damages of almost $4.1 million instead of less than $1 million that did occur. Had Bully Creek Reservoir, now under construction, been operating at that time, the flow at Vale would have been reduced another 6,000 cfs and prevented damages of an additional $900,000. When Bully Creek is completed, almost complete control of such a flood will be possible.

Similar benefits accrue from flood control provided by other reservoirs.

Another facet of Reclamation development which is growing in economic stature at a tremendous pace is recreation - a pace so rapid, I might add, that the benefits far outstrip even the most liberal estimates of their worth of even a few short years ago. Harold N gave you the details at your today. For example, Ochoco Reservoir in 1960 provided almost 330 thousand visitor days of recreational use and
pleasure. Prineville Reservoir, not too distant from Ochoco, with annual visitation of about 20 thousand persons, is quickly gaining a reputation for all kinds of water-associated activities, from casual boating to outstanding sport fishing.

During the spring, summer, and fall, traffic from the west slope to these Central Oregon reservoirs includes a high percentage of campers and fishermen, generally trailing boats behind their cars. The New Howard Prairie Reservoir in the Rogue River Basin is providing about 40 thousand days of recreational use, and Wickiup Reservoir on the Deschutes River provides about 81 thousand days of recreational use, annually.

In total, Reclamation reservoirs now provide about 1 million days of recreational enjoyment annually and this use is increasing year by year. These facilities not only provide enjoyment, but expenditures for equipment, supplies, and travel spell business activity in both the local and distant communities.

There are other benefits such as pollution control and river regulation which should also be mentioned. These
benefits are among the many which, although realized, are difficult to assign monetary values.

In his address to the recent National Reclamation Association meeting in Portland, Commissioner Dominy pointed out that fiscal year 1962 was the biggest in the Bureau's history. In accomplishing this record he said - "In past peak years, Reclamation had nearly twice as many employees as we have now - but never before have the funds been translated into a more effective investment in the future of America."

In this context, it seems appropriate to discuss the present and potential programs in Oregon for your consideration and translation into future economic growth. On the 20,000-acre Crooked River Project and Construction has been completed on one phase of the Talent Division of the Rogue River Basin Project, serving a full water supply to 5,310 acres and a supplemental supply to another 23,800 acres and the 20,000-acre Crooked River Project. Two new projects have moved into high-gear construction. These are the Western Division of The Dalles Project and the Bully Creek Extension of the Vale Project.

Two other Oregon Reclamation projects have been authorized by the Congress, and construction on them will
be started when funds are made available. The first is the **Upper Division of the Baker Project**, which will provide irrigation water for some 18,000 acres in eastern Oregon. The second is **Agate Dam and Reservoir**, another facility of the **Talent Division of the Rogue River Basin Project**. This small 4,600 acre-foot reservoir will provide supplemental water to 4,820 acres of presently irrigated lands in the Rogue River Valley, and also provide for irrigation of 1,810 acres of new lands.

Two other worthy Oregon Reclamation developments will likely be proposed for authorization in the coming Congress.

The **Crooked River Extension** would provide an adequate water supply to 2,890 acres of irrigable lands lying just above the present Crooked River Project. Many of these lands were irrigated in past years, but because of lack of water, have reverted to a dry-land status. The development of these lands would be one of the first steps in utilizing the extra capacity which was authorized in Prineville Reservoir. The Extension would cost about $1,640,000. Over $1,200,000 Federal power revenues will be required to aid in repayment of the irrigation cost.
The Merlin Division, Rogue River Basin Project, involves a multiple-purpose dam and reservoir on Jump-off Joe Creek. The project would provide irrigation to 9,260 acres, and would create important flood control and recreational benefits. The total cost of the project is estimated at $14,710,000 and financial assistance of $9,496,000 would be required in the project payout.

The Bureau's current general investigations program includes a number of projects which will undoubtedly be a part of this state's future. Several of the potential projects are located in the Willamette Valley.

The Tualatin Project encompasses some 17,000 irrigable acres, about 15 miles west of the city limits of Portland, Oregon. The project would develop a storage water supply and distribution system for irrigation, and a dependable municipal water supply for the towns of Hillsborough, Forest Grove, Beaverton, Lake Oswego Corporation, and Tigard Water District. Other functions served would be water quality control, fish and wildlife, and recreation. Almost 60% of the project costs allocated to irrigation will have to be repaid through use of Federal power revenues.
The Monmouth-Dallas Project proposes the development of about 12,600 acres in the southeastern corner of Polk County, near the towns of Monmouth and Dallas. Water supplies would be drawn from existing Federal reservoirs on the Willamette River system.

A third potential development in the Willamette Valley is the Red Prairie Project, which has considerable local interest and backing. This project would serve about 15,500 acres near the town of Sheridan. Field studies are well under way on this proposal, and a report is to be completed in the Region in Fiscal Year 1964.

Other important studies now being made include the Birch Creek Unit, South Division of the Umatilla Project, for diversion of additional water from Birch Creek into McKay Reservoir, and several new divisions of the Rogue River Basin Project.

The Illinois Valley Division, which would serve about 12,000 acres in Josephine County, the Evans Valley Division, would serve in the neighborhood of 3,700 acres in Jackson County, and the Medford Division could serve up to 36,000 acres of new lands and supplemental water service to about 15,000 acres in Jackson County near Medford.
Other Oregon investigations are pointed toward possible development of about 14,500 acres in the Umpqua River Valley, 18,000 acres of lands in the Milton-Freewater area, and the possible development of about 115,000 acres including 15,000 acres of new lands and rehabilitation of existing works in the Deschutes River Basin.

Looking to the long-range future, there are still over one million acres of good land which could be brought under irrigation but a strong effort will be necessary to assure a sound, progressive development program. There are difficult obstacles lying in the path of such a program. One such problem of the first magnitude is that of financing future development.

Over the years, here in Oregon as well as throughout the West, Reclamation projects have generally grown progressively more complex and costly. This is natural since the more readily developed projects were constructed first, as a matter of plain economics. More and more, projects call for high pump lifts in order to bring the water to the lands—for example, The Dalles Project which requires a total lift from the Columbia River of over 1200 feet.
As we all well know, basic Federal Reclamation law requires that costs of a development which are allocated to the irrigation function must be repaid to the Federal Government, without interest, and allocations to power and municipal water are repayable with interest.

This presents Reclamation's No. 1 problem, especially in the Pacific Northwest, since it is generally no longer possible for the water users to shoulder the full burden of the irrigation costs. This is true even though the total benefits are such that there is little question of the feasibility and need for continuing future development.

The use of revenues from project powerplants to establish project payout on Bureau of Reclamation projects is traditional, being established under the Act of April 16, 1906. Here in the Pacific Northwest, as long ago as 1909, the first such Federal powerplant was in operation on the Minidoka Project on the Snake River in southern Idaho.

By their nature, many irrigation projects have directly associated power facilities. Others, however, are not so geographically located as to have power
facilities although financial aid in project repayment will be necessary.

Of the six Oregon projects either recently completed, under construction, or authorized, on only one—the Bully Creek Extension of the Vale Project, will the water users repay the total irrigation allocation. On all others, assistance in the repayment of irrigation costs is required.

Solutions to the basic problem vary, however, throughout the irrigated West. Assistance to irrigation repayment through surplus revenues from Federal powerplants has been established in several instances on a basin-wide basis: The Central Valley Basin of California, the Missouri River Basin, and the Upper Colorado River Basin.

In the Pacific Northwest, thus far, the problem has been met on a project-by-project basis. That is, specific legislation has been necessary to determine the source of power revenues to use to assist irrigation repayment.

Here in Oregon, varying approaches have been authorized to provide the required payout of project
development. In the first instance, on the Talent Division and Agate Dam of the Rogue River Basin Project, financial assistance is afforded through the use of revenues from Green Springs Powerplant, an integral part of the project. For the Talent Division, the powerplant will provide some $8,997,000 of financial assistance in the irrigation payout. The water users will pay $7,076,000 of the total irrigation allocation of $16,073,000, or about 44%. Green Springs revenues will also be used to repay $762,000 of the $1,755,000 irrigation allocation for Agate Dam.

The Crooked River Project does not have a directly associated powerplant. However, revenues from power operations at The Dalles Dam on the Columbia River are authorized for payment of project costs which cannot be repaid by the project water users. These power revenues will repay 52 percent and the water users will pay about 48 percent of the total irrigation cost of $5,299,000.

On The Dalles Project, Western Division, which is now under construction, the authorizing legislation involved another concept of financial assistance. The project does not have directly associated power facilities, nor is the required financial assistance to be provided from an
individual Federal hydroelectric plant. Instead, the financial assistance requirement is tied to power revenues derived from the disposition of power marketed through the Bonneville Power Administration. Power revenues will repay $3,444,000 of the total irrigation cost of $5,994,000. The water users will repay $2,550,000 or about 43 percent of the total.

The financial assistance formula used on the Upper Division of the Baker Project is similar to that for the Crooked River—that is, a specific Federal hydroplant was named to provide the required aid. In this instance, revenues from McNary Dam power facilities will be used to repay $3,227,000 of the irrigation allocation.

The ever-increasing variety and intensity of demands on the water supply—both nationally and regionally—dictate that, from a purely physical standpoint, development of this vital resource must be approached on the basis of the whole of a river systems. It must be an integrated effort, recognizing the need for coordinating action and resolving differences among the many interested groups. This principle is generally recognized and accepted. It has
been urged by practically every Commission established on a national basis to study water resources during the past 30 years.

A companion principle--not as well recognized or accepted, but just as valid nevertheless--is the need to look at the economic side of resource development, using the same integrated system-wide approach as that for the physical engineering.

These two principles of physical and economic integration of the various opportunities for resource development in terms of a major river system are inherent in Secretary of the Interior Stewart Udall's recent action on proposed development along the Middle Snake River which Commissioner Dominy discussed at the recent NRA meeting in Portland.

The Secretary has called for Federal construction of a multiple-purpose dam at the Mountain Sheep site in that reach of Snake River. This project is currently the subject of license applications by both public and private utility groups in the Pacific Northwest. Secretary Udall has taken the position that it should be constructed by
the Federal Government as a part of the basin comprehensive development program. If this is accomplished, its revenues could, by proper Congressional authorization, be used to finance Reclamation work in Pacific Northwest states as is assistance now being extended from other federally constructed dams and power facilities.

Along this same line of reasoning, the resolutions passed by the recent National Reclamation Association meeting in Portland included one to establish a committee to critically examine the relationship of hydroelectric power licensing to the attainment of the objectives of the NRA. Certainly, in view of the problems surrounding future development in Oregon, your organization should be alert to the many implications involved in plans for future upstream projects. It seems essential that the few remaining good natural sites be developed for multiple purpose projects rather than run-of-the-river power dams. The future development of irrigation projects in Oregon may well depend on the financial assistance provided by maximizing the benefits of such multiple purpose development.
There is the need also for reaching an amicable and acceptable way to move ahead with developments which involve storage sites on Indian lands.

The quantity of water needed and means to supply this amount for minimum downstream flows for fish and wildlife must also be determined.

Another problem is that of reaching acceptable terms when different land areas are competing for the same water source. Each of these problem areas is but another facet of the over-all water problem facing us as a result of the growing intensity and diversification in the ways of using our available water supply.

These are difficult problems, but the opportunities in economic growth afforded by their solution far overshadow the difficulties. By assuring careful analysis and consideration of all of the many factors involved, the development of projects in future years can move along at an orderly and sustained pace.

The present and future Reclamation picture in Oregon is a bright one. There are still vast land and water resources awaiting development as a continuing bulwark of the State's economy.
Future irrigation development will, however, generally require financial assistance. Opportunities for project-associated power facilities are few, however, except on the main stem Columbia River. It has long been recognized that irrigation is one of the principle partners in comprehensive resource development.

It will be up to organizations and individuals such as and you folks who compose it, the Oregon State Reclamation Congress to work and fight when necessary, to assure balanced, comprehensive and integrated development of our resources. I'm sure your record of achievement in future years will be even better than your excellent record in the past.
Medford — Mr. Chairman — Honorable — Ladies and Gentlemen —

I'm getting on to organize a group of ladies and gentlemen to organize a group of the Dallas women to speak to the Dallas women's club — The luncheon talk was preceded by a short business meeting at which the President announced that they needed more, due-paying members, and if they could be accomplishing their goal, they could expect to have better speakers.

After minutes ago, Jack leaned over and said, 'Shall we let people enjoy themselves a little longer a show we have you speak?'

You asked me to come out here and speak. I assume that you see you are to listen. I hope you don't get through before I do.
Figures. Reminded me of time that an attractive coed at a college outdoor reception, dropped her career in the deep end of the swimming pool. She called to a elderly professor and asked if he could help her. He said he'd be glad to but said first I'd like to know why you called on me when there are so many young fellows available. You really right weren't we last week, the said. In any statistics lecture class and I don't know any one who can go down deeper, stay down longer and come up alive than you.
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Mr Chairman, honored guests, ladies and gentlemen,

I am very pleased to have this opportunity to meet with you. I am Congress. Good to know #mce

Thanks Jack for those kind words. Hope you did not perjure yourself.

...interesting. They range from one extreme to another. The U.S. is frequently in the spot... Don't fudgely whether to be honest or say what I think.

Foreign... I have now done. He will now do so.

Getting closer to home, a Service Club talk at The Dallas — More dues paying members. Better speakers.

Still closer to home. A few minutes ago, Jack said, “Shall we let people enjoy themselves To make matters worse. Before HIT. You know at To make matters worse. Before HIT. You know at LeSalle repair their pen. My subject has been... Greetings.
Normally a speaker talks for 20 minutes, the audience listens for 20 minutes. In the circumstances however—a long day of speeches already and a very friendly social hour preceding this excellent dinner—surely you may finish listening before I quit talking, if so, please let me know.

Greeting from Corvallis.

I enjoy discussing Reclamation for this is a most important subject today for all of the West. Here in Oregon, it is a particular significance and we believe our resources deserve attention and consideration.
PROGRAM

OREGON RECLAMATION CONGRESS

51st Annual Meeting

"RECLAMATION AND RECREATION"

November 28, 29, 30, 1962

Headquarters:
Extension Auditorium
Medford, Oregon
GENERAL PROGRAM

Wednesday, Nov. 28
1:30 p.m. Registration
2:30 p.m. Committees meet
   Research & Agriculture
   New Projects
   Public Relations
7:00 p.m. Registration
   Coffee - Cookies - Fun
9:00 p.m. Directors meet

Thursday, Nov. 29
8:30 a.m. Registration
9:00 a.m. General Session
   Presiding, John Stewart
   Oregon Reclamation Congress
   Welcome - John Snider, Mayor of Medford
   Business
   Amendments read
   Treasurer's report
   Auditing Comm. report
10:15 a.m. Recess

Thursday, Nov. 29 - Continued
10:30 a.m. Symposium "Oregon's Water Resource"
   "Water Master Situation in Oregon" - Chris Wheeler, State Engineer
   "Status of Good Water in Oregon" - Jack Sceva, Ground Water Geologist
   "Oregon Water Resources Board Activities" - Don Lane, Exec. Sec. State Water Resources Board
11:30 a.m. Adjourn
12:00 noon Lunch at "Kims"
   "Urban Interests in Water Development" - Robert L. Sweany, Mgr., Portland C. of C.
1:45 p.m. Symposium, "Reclamation and Recreation"
   - Andy Landforce, Ext. Wildlife Spec., OSU
   - LaSelle Coles, Pres. NRA
   - John Neidermeyer, Orchardist
   - Joe Smith, Commissioner, Ore. St. Game Commission
3:00 p.m. Committee reports
3:30 p.m. Adjourn

Friday, Nov. 30
8:30 a.m. General Session
   Presiding, John Stewart
   Incorporation and By-Laws Change
   Resolutions
   Report of nominating committee
   Election of officers
   Elect directors
11:30 a.m. Adjourn
12:00 noon Lunch at "Kims"
   "Urban Interests in Water Development" - Robert L. Sweany, Mgr., Portland C. of C.
1:45 p.m. Symposium, "Reclamation and Recreation"
   - Andy Landforce, Ext. Wildlife Spec., OSU
   - LaSelle Coles, Pres. NRA
   - John Neidermeyer, Orchardist
   - Joe Smith, Commissioner, Ore. St. Game Commission
3:00 p.m. Committee reports
3:30 p.m. Adjourn

LADIES TOURS

Nov. 29 - Bear Creek Orchards
   (Harry and David's gift packaging)
   Nov. 30 - Jacksonville Museum,
   Beekman House, Doll House