FOR RELEASE TO PMs DECEMBER 4, 1973

REMARKS OF GILBERT G. STAMM
COMMISSIONER OF RECLAMATION
U.S. DEPARTMENT OF THE INTERIOR
TO THE CENTRAL ARIZONA PROJECT ASSOCIATION
BOARD OF DIRECTORS
PHOENIX, ARIZONA
DECEMBER 4, 1973

THE CENTRAL ARIZONA PROJECT
WHERE WE ARE, WHERE WE HAVE TO GO, AND HOW TO GET THERE

THREE WEEKS AGO WHEN I WAS HERE MEETING WITH THE NATIONAL WATER RESOURCES ASSOCIATION, AN ARTICLE APPEARED IN THE PHOENIX GAZETTE WHICH MAY AUGUR WORSE NEWS YET TO COME. THE ARTICLE TOLD OF 400 SHAREHOLDERS OF THE ARCADIA WATER COMPANY VOTING UNANIMOUSLY TO INVESTIGATE THE FEASIBILITY OF PROCURING ADDITIONAL WATER SUPPLIES TO AUGMENT THEIR DIMINISHING UNDERGROUND SUPPLIES. THE COMPANY HAS FIVE WELLS, ALL OF WHICH HAVE BEEN DEEPENED TO BEDROCK, I UNDERSTAND.

"THE SITUATION IS CRITICAL AND GETTING WORSE," SAID ARCADIA'S GENERAL MANAGER, W. J. VAN BUREN. RATIONING AND CONSERVATION PRACTICES ARE THE SHORT TERM ANSWERS, HE SAID.

I AM REMINDED FORCIBLY OF OUR PROJECT MANAGER, CLIFF PUGH, WHO ATTENDED THE ARCADIA MEETING, IN FACT IS A SHAREHOLDER, TELLING ME THAT FOR TWENTY YEARS HE HAS BEEN TELLING HIS NEIGHBORS
As well as people throughout the valley of what is happening to the ground water supply, "Now suddenly, they hear me," he said. Well, we all have a lot of serious rethinking to do.

During the past year, there have been a number of significant actions on the Central Arizona Project—in administrative, construction, and environmental areas—and I would like to report to you on them.

In the administrative area, the repayment contract between the United States and the Central Arizona Water Conservation District (CAWCD) for delivery of water and repayment of reimbursable costs of the Central Arizona Project was executed December 15, 1972, by Secretary of the Interior Rogers C. B. Morton and Roger Ernst, President of CAWCD.

There has been limited activity in negotiating subcontracts with separate municipalities, irrigation districts, and Indian communities for water service contracts. Subcontract activity has been limited, in part, because the water allocation to the several Indian communities has not been finally determined or announced. Until the Indian water allocation is fixed, it will not be possible to make allocations to the many non-Indian districts and municipalities that desire to contract for water. At this time, the Indian water allocation continues to be under Departmental review.

Reclamation's Arizona Projects Office here in Phoenix underwent an organizational realignment on July 1, 1973. The Planning Division, which had been a major organizational component of the
Office, was abolished, and the nucleus of a Water and Land Operations Division was established. Former planning personnel were integrated into both the new division and the existing Office and Field Engineering Divisions. Remaining planning responsibilities have been assigned to a State Planning Liaison Engineer, Keith Pinkerton, for close coordination with various State and local agencies and to handle Small Reclamation Project activities.

In anticipation of the beginning of construction activities, Andrew K. Dolyniuk on January 14, 1973, was appointed Construction Engineer for the Central Arizona Project.

Another administrative change was the assignment of David Creighton as Projects Environmental Officer. In this era of increased concern for environmental matters there is a statutory requirement that all Federal agencies file final environmental statements prior to starting construction or initiation of a major Federal action.

The final overall environmental statement on the Central Arizona Project was filed with the Council on Environmental Quality in Washington on September 26, 1972. The final detailed statement for the Havasu Intake Channel, Havasu Pumping Plant, and Buckskin Mountains Tunnel was filed on January 15, 1973. These actions were prerequisite to the first construction activities in the Havasu area, which I will mention later.

The draft environmental statement for the 182-mile-
LONG GRANITE REEF AQUEDUCT WAS FILED WITH THE COUNCIL ON ENVIRONMENTAL QUALITY ON MARCH 14, 1973. PUBLIC HEARINGS WERE HELD ON MAY 1 AND 2, 1973, IN SCOTTSDALE TO OBTAIN PUBLIC RESPONSE AND REACTION TO THE DRAFT. REVIEW COMMENTS FROM INDIVIDUALS AND FEDERAL, STATE, AND LOCAL AGENCIES, AS WELL AS THE PUBLIC HEARING TRANSCRIPTS, ARE PRESENTLY BEING EVALUATED AND INCORPORATED INTO A FINAL STATEMENT. THE FINAL STATEMENT IS SCHEDULED TO BE FILED WITH THE COUNCIL ON ENVIRONMENTAL QUALITY IN JANUARY 1974. IN THE MEANTIME, THE STAFF IS GATHERING MATERIAL FOR THE ORME DAM AND CENTRAL ARIZONA PROJECT ELECTRICAL AND TRANSMISSION SYSTEM STATEMENTS.

HAYASU COMPLEX


ON MAY 6, 1973, SECRETARY MORTON AND GOVERNOR JACK WILLIAMS DETONATED THE FIRST BLAST, SIGNALLING THE START OF CONSTRUCTION OF THE CENTRAL ARIZONA PROJECT. THE INTAKE CHANNEL DIKE NOW BEING CONSTRUCTED IN LAKE HAYASU IS UTILIZING MATERIALS EXCAVATED FROM THE HAYASU PUMPING PLANT SITE. AS OF NOW THE ACCRUED EARNINGS FOR PETER KIEWIT SONS' COMPANY HAVE AMOUNTED TO ALMOST $750,000. OTHER COMPLETED ACTIVITIES IN THE HAYASU AREA INCLUDE THE GEOLOGIC
drilling and exploration for the Buckskin Mountains Tunnel. A draft of specifications for construction of the tunnel has already been prepared.

Granite Reef Aqueduct

Specifications for construction of the Paradise Valley Flood Detention Dike, which comprises the protective works for the Granite Reef Aqueduct in the area from Cave Creek Road to 108th Street, are in the final stages of preparation and are scheduled for issuance this month or in January 1974. A construction contract is scheduled for award in March 1974.

The final location of Reach 10 and part of Reach 12 of the aqueduct has also been established. This establishes the location of the Granite Reef Aqueduct through the Phoenix metropolitan area from the Agua Fria River to the Salt River Indian Reservation. Coordination of these location studies is being carried on with the various Federal, State, and municipal interests involved.

In obtaining right-of-way for Reach 11 through Paradise Valley there has been a total of 25 tracts acquired at a cost of $2.8 million. An aggressive land acquisition program will be continued in 1974, conducted insofar as possible to minimize the effect of the Bureau's plans upon landowners in the area, and to reduce the effects of inflationary cost trends.

A part of the right-of-way is held by the State of Arizona. This land will be obtained under the provision of the New Mexico-Arizona Enabling Act. The State will relinquish the lands, and will obtain Federal land in lieu of those transferred.
Orme Dam and Reservoir

Geologic investigations for Orme Dam are approximately 70 percent complete. Ground control surveys have been established around the site of Orme Dam and within the reservoir area. Aerial photographs have been taken of the damsite and reservoir area, and the topographic mapping of the damsite has been completed.

Communication is being maintained with the Fort McDowell-Mohave Apache Indian community and the tribal council regarding the project. Selection of appraisers and appraisalal procedures is being discussed with the community. Community leaders are being continually briefed concerning Reclamation's program.

Coordination is also being carried on with the Department of Housing and Urban Development regarding its program to replace substandard housing of the Fort McDowell Indian community. The new housing, which was programmed for early construction, has been held in abeyance until the maximum water surface elevations of Orme Reservoir have been firmed up. To avoid construction of these new houses in the reservoir area, we have met with members of the community...to show conceptual plans of a new area development on the west side of the reservation next to the Fountain Hills Development and adjacent to the new Fort McDowell Indian Community Services Building. The new Community Services Building, financed by a grant from the Economic Development Administration, is well along toward completion and will shortly replace the existing office, which is located in what is to be the reservoir area.
Archeological field surveys have been completed on the Salt River arm and also on the Verde River arm of the potential reservoir area. An archeological report is being prepared by the Arizona State Museum on the Orme Reservoir area. This archeological survey report will be one of the important components of the environmental statement for the Orme Reservoir.

You are all aware of the new development of McCulloch Corporation's Fountain Hills townsite, and some of you are aware of the Goldfield Development that is being considered east of the Fort McDowell Indian Reservation on land which the McCulloch Corporation is trying to obtain from the Page Land and Cattle Company. Additionally, the Tonto National Forest has a land exchange program in progress which will transfer lands from Forest Service status to in-holding status, and then eventually be reidentified with a new Forest Service boundary.

The effect of these multiple townsite developments adjacent to the Fort McDowell Indian Reservation and the plans of the Fort McDowell community for the development of their reservation lands must be presented in such a manner as to make it clear that such developments and changes to the ecology of the area--including not only vegetation, fish and wildlife, but also archeological resources--are a reality that must be recognized either with or without Orme Reservoir.

I understand from those in close contact with officials and members of the Tribe that the Indians do, in fact, want to
RAISE THEIR STANDARD OF LIVING THROUGH BENEFITS FROM ORME DAM AND RESERVOIR TO DEVELOP THE ECONOMY OF THE AREA, THROUGH THE REALIZATION OF RECREATIONAL BENEFITS AND SERVICES AS WELL AS OBTAINING NEW HOUSING. ANY ATTEMPT TO PREVENT THE DEVELOPMENT OF ORME RESERVOIR UNDER THE GUISE OF PROTECTING THE INDIAN COMMUNITY WOULD BE A DISERVICE TO THE TRIBE IF NOT ACTUAL DISCRIMINATION. THE FORT McDOWELL PEOPLE SHOULD HAVE THE OPPORTUNITY TO BENEFIT AND PROSPER FROM THE PROJECT AND NOT BE CONFINED TO LIFE ON AN UNDEVELOPED TRACT OF LAND.


ONE FACET OF THE NEW CEQ GUIDELINES ON ENVIRONMENTAL STATEMENTS RELATES TO LAND USE PLANNING. SUCH PROGRAMS ARE NOT NEW
to Reclamation. In 1968, for example, the Bureau of Reclamation provided $17,500 to the Fort McDowell Indian community through a transfer of funds to the Bureau of Indian Affairs for a land use planning report for the Fort McDowell Indian Reservation. One of the land use concepts of that planning report was to develop on the reservation a residential community with light industry which could provide for a population of 170,000 people.

The impact of such development upon the natural environment in that area, on archeological resources, vegetation, and wildlife, would likely be equal to or greater than the effect of Orme Reservoir.

Construction of the reservoir would provide the community with new housing, located adjacent to the Fountain Hills community, better community facilities, schools, and other public amenities. It would permit them the use of their lands not actually occupied by the reservoir to develop and operate recreational facilities along the shoreline of the reservoir within the reservation. And, of course, they would continue to have use of all the reservoir lands until needed for project purposes.

Any attempt by the non-Indian community to negate this possibility would be a form of discrimination against the community.

Now I want to focus my final remarks directly to you good Arizonians. You people in the Central Arizona Project Association
have done a great job for your State. From personal experience, I know the key role your organization played in planning and development of the Central Arizona Project concept. I saw evidence of your community leadership and dedication in the long struggle to win Congressional authorization of the project. I congratulate you for what you have done so far.

But let me remind you that your job is by no means completed. We have a long way to go, many issues to resolve, before the Central Arizona Project becomes a water-delivering reality. Important immediate needs include a proper decision regarding the allocation of project water to the Indian interests, adequate funding for construction and agreement with the Fort McDowell community regarding construction of Orme Dam.

There surely will be other problems that will appear on the scene. Many, if not all of them, will require the same kind of strong Arizona leadership and support which you are so well equipped to provide.

Recognizing the intense need for augmented water supplies in Central Arizona, the vital role this will play in the future of this great State, there is no choice but to pursue diligently a course toward full accomplishment.

In facing the challenges and issues of the future, I believe there is no substitute for open lines of communication and greater cooperation. As national priorities shift, which they will, as revenues sharing increases, which appears to be in the offing, as cost sharing is given greater emphasis, and as coordinated land and water use planning gets more attention (both of which
are inevitable) our State-Federal relationships must and will adjust to keep pace. There is no place for a static organization in a dynamic society, and ours certainly is dynamic—punctuated all too frequently with a series of crises.

But in this fast moving society—whether the crises be flood, war, food shortage, Watergate, or energy shortage—water development, control, or supply is fundamental to their solution. In the West, water can be assured only by constructed works for the control, regulation, and storage of water from the West's erratic flowing streams, supplemented where appropriate by ground water, atmospheric water, sea water conversion, or treated geothermal fluids.

Such development can be done in concert with protection of the fabulous environment that helps make life in America so outstanding, especially here in Central Arizona, but it will not happen without planned, controlled development. We cannot put on the blinders to any element of the total complex. Blended consideration of all pertinent elements is essential to maximize results for benefit of mankind.

Thus, your job and ours is not completed by any means and won't be for many years, perhaps never. So let us continue the beneficial partnership that has prevailed for so long to meet the water needs of people, today, tomorrow, and in perpetuity, recognizing that those needs include the physical, economic, social, esthetic, and environmental elements of a good life for mankind.

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