Since the last meeting of the Upper Colorado River Commission on October 2, 1956, at Rock Springs, Wyoming, I have endeavored to keep the Commission informed through the media of numerous memoranda and correspondence. For that reason, this report will pertain mostly to recent activities and events.

In response to a directive of the Commission, laid down at its last meeting, letters were written to all Senators and Congressmen from the five Upper Basin States, to the Secretary of the Interior, to the Director of the Bureau of the Budget, to the Chairmen of the House and Senate Appropriations Committees, and to the Chief of the Water Resources Branch of the U.S. Geological Survey, in support of appropriations for an adequate stream-gaging program. The response to our letters was very favorable. In all instances we were assured the official would do all he could to help obtain appropriations for this program.

The Commission, at its last meeting, authorized the appointment of a special committee to draft a statement pertaining to Senate Resolution 281, 84th Congress. This is the Resolution that had to do with the establishing of criteria by the Congress for evaluation of reclamation projects. Messrs. Bliss, Crawford, Callister and Black served on this committee.
The committee held two meetings in Denver and agreed on a statement, copies of which have been mailed to each Commissioner and supplied to the Joint Committee of Interior and Insular Affairs and Public Works of the Senate.

At the request of the Secretary-Manager and several members of the Board of Directors of the National Reclamation Association, I served on a Subcommittee of the Water Policy Committee of that organization and aided in the drafting of another statement on Senate Resolution 281 which was submitted to Congressional Committees. This statement was similar to the one submitted by the Upper Colorado River Commission.

The Staffs of the Senate Committees compiled all the statements received on the subject of Senate Resolution 281 and mailed them to interested parties in the form of a Committee Print. All available copies of these Committee Prints were sent members of the Commission and their advisers.

On February 4, 1957, the Interior and Public Works Committees of the Senate held a conference in Washington, D.C., with representatives of organizations interested in water resources. Due to work accumulated in our office, it was impossible for me to attend this conference.

Since that time, the Senate Joint Committee compiled and printed Committee Print No. 2 entitled "Conservation and Development of Water Resources," which was a supplemental memorandum with valuable statistical information pertaining to cost allocations for various water resource
development projects of the Department of the Army and the Department of the Interior. It was designed to be used by those who were particularly interested in a further study of Senate Resolution 281. Formal hearings have not yet been scheduled on Senate Resolution 281 or its counterpart in the 85th Congress. It is anticipated there may be other conferences before these hearings are held.

Refunds of assessments for the 1956-1957 fiscal years to the States of Colorado, New Mexico, and Utah, have been made as authorized by the Commission. These refunds amounted to $2,971.97 to Colorado, $719.25 to New Mexico, and $1,470.44 to Utah. Immediately following the meeting at Rock Springs, we transmitted to the Governors of the four States and to the President, a copy of the Budget covering an estimate of expenses for the 1958 fiscal year and for the 1959 fiscal year, and of the amount payable by each State under the provisions of the Upper Colorado River Basin Compact.

In an Interim Report, dated February 5, 1957, the attention of the Commission was called to various bills which had been introduced in the Congress and which might affect the development of water resources of the Upper Colorado River Basin. Among these bills were the following:

H.R. 500 by Congressman Saylor of Pennsylvania to establish on Public Lands of the United States a national wilderness preservation system and to establish a national wilderness preservation council. Section 3(b) of this bill is especially
dangerous because it would prevent any water diversions, water management practices, water impoundment for reservoir storage in presently roadless and primitive areas within national forests, units of the National park system, national wildlife refuges and ranges, areas within Indian Reservations with the consent of the Tribal Council, and such other areas as could be designated under the terms of the bill.

H. R. 3594 by Congressman Engle of California for the establishment of a National Outdoor Recreational Resources Review Commission to study the outdoor recreational resources of the public lands and other land and water areas of the United States. Similar legislation has been introduced by Senator Anderson of New Mexico. This legislation, both on the House and Senate sides, has the support of most of the prominent Senators and Representatives of the Western States.

S. 691 and H. R. 2175, introduced by Senator Goldwater and Congressman Rhodes, of Arizona, are identical with S. 3393 and H. R. 9850 which were introduced by these same men in the 84th Congress. Their effect, if enacted into Law, would be to earmark the $500,000 per year Colorado River Development Fund for investigation and construction of projects
exclusively in the States of the Lower Division. As pointed out in my former report, if the Upper Division States are willing to allow the Lower Division to receive all of this fund, it should only do so with reluctance and only after agreement that the States of the Lower Division will not oppose appropriations for construction of units and projects in the Upper Basin. In other words, practical political aspects should not be overlooked.

H. R. 2453, introduced by Congressman Craig Hosmer of California, would provide for the utilization of the Colorado River Development Fund in the States of the Lower Division. This bill is different from S. 691 and H. R. 2175 in that it proposes that the Secretary of the Interior utilize the Colorado River Development Fund for conducting large scale cloudseeding experiments and operations in the Colorado River Basin.

H. R. 935, introduced by Congressman John Saylor of Pennsylvania would change the status of the Dinosaur National Monument to a National Park and enlarge its area from approximately 209,000 acres to 237,000 acres. It is identical to H. R. 10614 (Aspinall) and H. R. 10635 (Saylor) of the 84th Congress.
Your attention was also called to an un-numbered bill by Senator Kerr of Oklahoma for the purpose of making evaluation of recreational benefits a part of project planning for all water development projects. A modified version of this un-numbered bill, S.1164, was introduced by Senators Kerr and Monroney on February 11, 1957. Mimeographed copies of S.1164 together with a memorandum were mailed to Commissioners and Advisers on February 20. One result of this legislation would be to improve the benefit-cost ratio by counting potential recreational benefits up to 15% of the total cost of the project. This portion would be non-reimbursable. The recreational benefits would be computed on the average number of visitors daily on the basis of $1 a day per person. This bill seems to have a lot of support.

It has been referred to the Public Works committee of the Senate. Hearings have not yet been scheduled.

Several days during the last part of January were spent in Washington, D.C. There were several purposes for this trip.

(a) To consult with various members of our Congressional Delegations to determine if a meeting of the Congressional Delegations with the Commission would be possible and desirable.

(b) To determine whether members of Congress from the four Upper Basin States desired aid in Washington from the Commission while
appropriations for the Colorado River Storage Project were under consideration.

(c) To consult with the Secretary of the Interior and the Bureau of Reclamation with regards to appropriations and cooperative efforts of the Commission with the Interior Department and the Bureau in the future as far as both appropriations and construction of participating projects are concerned.

(d) To talk to various members of Congress about appropriations for the Colorado River Storage Project to determine what the chances would be of having the amount increased for the 1958 fiscal year over that which had been recommended by the Bureau of the Budget.

(e) To attend various meetings and functions of the Board of Directors of the National Reclamation Association and its legislative committee.

Commissioners Clyde and Bliss were also in Washington, D.C. We consulted with the Secretary of the Interior and assured him of the cooperation of the Upper Colorado River Commission in all aspects of water development in the Upper Colorado River Basin. We talked to him also at great length about appropriations for construction of various features of the storage project during the 1958 fiscal year. We discussed increased cost of construction due to increasing demands by labor and rising costs of materials.
After talking with the Secretary, I am sure it is fair to say that we sensed that at the Cabinet level of the Federal Government there is a pronounced desire to curtail all non-emergency construction activities in order to keep down the threat of inflation in our national economy.

We also talked with Commissioner Dexheimer of the Bureau of Reclamation about various aspects of the Bureau's activities with relation to construction of the initial phase of the Colorado River Storage Project and participating projects, and with respect to investigations and planning of additional participating projects.

Although we were not told the amount of construction money which the Bureau would be able to justify before Congressional Committees, I am certain we can assume that the Bureau could use considerably more than the $25 million recommended by the Bureau of the Budget, if Congress were to make it available.

Before going to Washington, we had learned officially that the Bureau of the Budget, through the President's Budget Message which was delivered to Congress on January 16, 1957, had recommended an appropriation to the Upper Colorado River Basin Fund of $25,142,000 for the 1958 fiscal year. Of this sum, $1,195,037 are earmarked for advanced planning of participating projects, $100,000 for investigation and preliminary construction of transmission lines, and the following sums for construction of storage units:
Allocated to obligations for stores, camps, etc., to be costed in future years, are $3,554,963. It is expected there will be $540,000 from contributions.

The Bureau of the Budget did not recommend the appropriation of funds for the initiation of construction of any participating projects in the 1958 fiscal year. In fact, after obtaining a breakdown of advanced planning money for participating projects, we found that there is not even advanced planning money for the Navajo Irrigation Project in New Mexico.

With the data about the Budget available, I deemed it good procedure to try to find out why there was no money for the initiation of construction of participating projects. Part of the answer may be found in our conversation with the Secretary of the Interior, mentioned above, the threat of inflation. Both before and after our conversations with the Secretary and with the Commissioner of Reclamation, I talked with officials in the Department of the Interior and the Bureau, and in the Department of Agriculture, about "new starts" because many of us had believed that there would be starts on the construction of at least one participating project in each State some time during fiscal year 1958. Information from the Bureau of the Budget was to the effect that money for construction purposes had not been requested.

On one hand, I was told money had not been requested for construction of participating projects because the Department of Agriculture had not...
finished its reports on the reappraisal of the agricultural benefits of the irrigation features of participating projects; while on the other hand, I was told the Bureau of Reclamation was holding up reports on reappraisal of agricultural benefits which had been submitted to it by the Department of Agriculture. Perhaps there may be some essence of truth to both stories depending upon which State one discusses.

About that time, I decided to find out what was being covered in these reappraisal reports and to study Public Law 485 in order to determine what was required. The results of those determinations were sent to the members of the Commission and their advisers in a memorandum dated February 4, 1957, accompanied by a copy of a document entitled "USDA Activities in Connection with Colorado River Storage Project Participating Projects." Although this latter document is dated November 5, 1956, as far as I have been able to ascertain, neither the Commission nor any member of the Commission was ever consulted about it. I did not know of its existence until about the middle of January, 1957. Members of the House from the Upper Colorado River Basin States did not know anything about it until it was discussed with them at a special meeting on January 29.

In my memorandum to the Commissioners, I pointed out that it is evident that the agreement reached by the Departments of Agriculture and Interior, with respect to the reappraisal of the agricultural benefits, was based upon a letter dated March 19, 1954, from the President to the Secretary of Agriculture. In March of 1954, H.R. 4449 was pending before the Congress. This bill, which died in the Rules Committee, contained a provision for a reappraisal of the direct agricultural benefits of the
participating projects by the Secretary of the Interior after consultation with the Secretary of Agriculture, and a provision for the re-evaluation of non-direct benefits.

S. 1555, which died on the floor of the Senate in the final hours of the 83rd Congress, would have required the Secretary of the Interior to re-examine the economic justification of each participating project, to have reappraised the direct agricultural benefits in cooperation with the Secretary of Agriculture and to have re-evaluated the non-direct benefits.

In the First Session of the 84th Congress, the Senate passed S. 500 which would have required the Secretary of the Interior to report on the reappraisal of the direct agricultural benefits after consultation with, instead of in cooperation with, the Secretary of Agriculture.

H. R. 3383, which was approved by the House in the Second Session of the 84th Congress, did not require the Secretary of the Interior to consult with, or to act in cooperation with, the Secretary of Agriculture.

Public Law 485, 84th Congress, which resulted from the Senate and House conference, prescribes no duties or responsibilities for the Secretary of Agriculture.

Public Law 485 contains no language which can serve as a basis for the all-inclusive and involved rules and procedures as those adopted by Agriculture and Interior for definition of activities related to making soil surveys and land classifications for the participating projects. The only limitation applicable to Public Law 485 is the provision in the Interior Department
Appropriation Act of 1954 which requires that before initiation of con-
struction of reclamation projects, the Secretary of the Interior must
certify to the Congress that an adequate soils survey and lands classifi-
cation has been made.

It is apparent that Agriculture has not only based its program upon
"dead" legislation of the 83rd Congress, but it has also enlarged the nature
and scope of its activity far beyond the requirements of Public Law 485 or
the limitations in the Interior Department Appropriation Act of 1954. We
have been informed one of the reasons why funds were not requested for
construction of participating projects in the fiscal year 1958 was that final
reports on the reappraisal of agricultural benefits of those projects have
not been completed.

After studying Public Law 485 and the limitation of the Interior
Department Appropriation Act of 1954, it is impossible to rationalize
the elaborate program adopted for the reinvestigation of the participating
projects which has been cited as a contributing factor causing delays in
their construction. Section 6 of Public Law 566, which is cited as a
source of part of the authority for activities of the USDA, authorizes
cooperative programs by Agriculture with other Federal agencies, States,
and local agencies. It also authorizes the Secretary of the Interior to
cooperate with the Secretary of Agriculture in planning and development
of works or programs for lands under jurisdiction of Interior. Reports
on activities of the USDA authorized under Public Law 566 are not required
before the Secretary of the Interior can begin construction of reclamation
projects.
In view of the legislation passed by Congress, not that which died along the way, it is extremely difficult to find either the authority for or the necessity for the Department of Agriculture to make another complete "evaluation of direct agricultural benefits expected from participating projects," or for "studies of the impacts of all projects in the Upper Colorado Storage Project upon lands and programs administered by the USDA" before construction of participating projects can commence. Since witnessing the delay in the initiation of construction of participating projects, perhaps the Commission may desire to express itself upon this problem.

It has been reported that another related contributing factor causing delays has been a fundamental disagreement between Agriculture and Interior over what to use as a cost index in reappraising benefits and costs of irrigation projects. It might be interesting to know whether this problem has been resolved or whether it will keep reappraisal reports bottled-up in field offices of one or both of the two agencies so they cannot be submitted to the Secretary of the Interior. I am sure members of our Congressional delegations in Washington would like to know the answer.

On January 29, by request, I attended a meeting of all members of the House from the four Upper Division States in Washington, D.C. At that time the above problems were discussed as well as were other problems which we felt were facing us in the obtaining of appropriations. All of the House members requested that I spend as much time as possible in Washington at the appropriate time to aid them. I assured them that, with the approval of the Commission, I would do everything necessary.
Last weekend I was informed that the Subcommittee on Public Works of the Appropriations Committee will start hearing witnesses on March 25. Consequently, I am assuming work on the Washington end will start almost immediately.

In recent months there have been several criticisms of an attack nature against the proposed Curecanti Storage Unit. One of the most damaging was an article called "Exit the Gunnison" which appeared in "Colorado Outdoors," the official publication of the Colorado Department of Fish and Game. Copies of this article, accompanied by photo copies of newspaper articles, were sent to each Commissioner as well as copies of correspondence between Director Crawford, of the Colorado Water Conservation Board, and Mr. Kimball, Director of the Fish and Game Department. Mr. Crawford and Governor McNichols have been working hard to straighten out this matter. Their efforts, at least within Colorado, seem to be getting results because articles have been appearing in local papers stating in a mild, but not retractive manner, that the Fish and Game Department was not against Curecanti.

Both Governor McNichols and one of the members of the Colorado Water Conservation Board have stated there would be an article presenting the case for Curecanti in the next issue of "Colorado Outdoors." I am not prepared to say whether the attack against Curecanti has been inspired by representatives of nature lover's organizations outside of the Fish and Game Department or whether it originated from within. I have heard each is responsible. Apparently Mr. Crawford and others have effectively countered
the attacks within the State. I do know proponents of the Curecanti project, in the Delta-Montrose-Gunnison area, are quite concerned. They have formed the Colorado Wildlife and Recreation Committee composed of representatives from Gunnison, Montrose, Delta and Mesa counties. At one of their recent meetings, their vote was 29 for Curecanti and 4 against it. They wish to urge the Bureau to begin the purchase of right-of-way for the Curecanti project because the people in that area are faced with uncertainty and do not know what to expect. In a recent letter to Commissioner Dexheimer, I suggested that if the Curecanti Project could be started as soon as possible, perhaps we might be able to get it under construction before we have a real fight on our hands. People other than those in the Upper Basin are also aware of this controversy. Friends associated with the University of Maryland, the U.S. Census Bureau, and with newspapers in Washington, have said to me in effect: "We hear that since you did not get Echo Park constructed, you are now proposing to ruin the Gunnison by drowning the fish instead of the dinosaurs, and by starving the poor deer by destroying their feeding placed."

I do not know whether it would be wise for the Commission to take official action regarding this controversy at this time or whether it would be prudent to await developments. This question was discussed last spring with Commissioner Dexheimer, who apparently expected the onslaught against Curecanti. He suggested that perhaps the Commission should do something. More recently another official of the Department suggested it
might be a good idea for the Commission and the Bureau of Reclamation to cooperate in organizing and publishing a well-illustrated informative and educational brochure which would discuss the positive recreational benefits to be derived from the construction of water-use projects. There is a lot of merit in such a suggestion, especially at this time, considering the type of legislation which is before Congress. Such a publication could be given very wide distribution through both organizations. At least, the idea should be considered.

On several occasions I have been approached by Washington officials of the Bureau of Reclamation with the idea that the Upper Colorado River Commission could be of great help to the Bureau if it would act in the capacity of aiding in the scheduling of construction of participating projects. If this were done, I suppose each State's representative on the Commission would present to the Commission proposals for the construction of participating projects within his State, and the Commission would decide the priority in which projects should be recommended for construction. Certainly making the final decisions would be a matter of policy for the Commission to decide, and could not be left to its staff.

During the past week we have been compiling a draft of the Annual Report which should be published by April 1.

In recent weeks, engineering studies have been directed towards trying to determine the relationship of consumptive use to the Inflow-Outflow Method, using assumed irrigated acreages based upon modifications of
figures taken from the Engineering Advisory Committee's 1948 report.

Also, at the last meeting of the Engineering Committee, the suggestion was made that in our Inflow-Outflow computations we should try dropping the first ten years of record, because so many of the records for that period were estimated, and recompute some of our best equations on the basis of fifteen years of record instead of twenty-five years of record.

Some of our recent engineering studies have been along this line. Experience has demonstrated that the final test of the practical application of the Inflow-Outflow equations is by comparing the computed outflow quantities for each year of the series with observed flows. Four of the best equations selected from the wrap-up report, Engineering Report No. 23, were compared using fifteen years of data and twenty-five years of data in deriving equations. The principal conclusion from these studies was that, although the first ten years record for a twenty-five year period might consist largely of estimated quantities, there is no material difference or improvement in using only fifteen years of record in place of the twenty-five years of record which include the estimates, and the results based upon fifteen years of record are not statistically stable or reliable.

Ival V. Goslin,
Engineer-Secretary