



UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

FEB 16 1966

Dear Clint:

Thanks for writing me on December 1, 1965, telling me of your concern that the Navajo Irrigation Project may not be progressing as rapidly as it should.

I have checked, as you asked, to see how the appropriations have been coming through and on the progress of construction.

As you know, the project was authorized on June 13, 1962. In Fiscal Year 1963, \$300,000 was made available by transfer from other appropriations made to the Bureau of Indian Affairs and approved by the Appropriations Committees. In Fiscal Year 1964, \$1,800,000 was provided to initiate construction; \$4,700,000 was made available in 1965. Appropriations for the current fiscal year amount to \$6,500,000. Thus, in the four years since authorization \$13,300,000 has been appropriated for the project. This is in contrast to \$15,800,000 for the four-year period after authorization contemplated in the authorization report. In House Document 424, 86th Congress, 2d Session, a 12-year construction schedule was laid out, following two years to be used for preparation of a definite plan report. Thus, the appropriations to date are very nearly equal to those contemplated in the authorizing document. It is true, however, and I am sure you understand why this has occurred, that the \$6,500,000 programmed for Fiscal Year 1967 is substantially less than the \$15,000,000 contemplated in the scheduled 12-year construction period.

In this regard, you indicated it had been suggested that perhaps the the Bureau of Indian Affairs lacked enthusiasm for irrigation and that appropriations for this project should be made directly to the Bureau of Reclamation, but chargeable to the Bureau of Indian Affairs. While I do not believe this to be the case, I see no serious objection to such a change, but do not believe it would be really beneficial.

I find the House Committee in considering the original bill rearranged it to clearly separate the Navajo Project from the San Juan-Chama Project and to provide that the funds for the construction of the Navajo Indian Project would be included in the budget requests of the Bureau of Indian Affairs instead of the Bureau of Reclamation, although the latter would have responsibility for construction. The intent seemed to be to divorce it completely and effectively from the funding programs of the Bureau of Reclamation and the financing arrangements of the Upper Colorado River Basin Fund. Chairman Aspinall pointed this out in the debate on the bill in the House on May 22, 1962. In actual practice, the Bureau of Reclamation each year prepares the budget estimates for the Bureau of Indian Affairs and assists in justifying them both before the Bureau of the Budget and the Congress.

As we push ahead with the project a number of other matters have arisen that are giving the Department increased concern. As you know, more detailed land classifications subsequent to authorization established that a substantial part of the land included in the project area as originally planned is non-irrigable. It was therefore necessary to find substitute lands to maintain the authorized acreage. This resulted in a change in the lands to be irrigated west of Chaco Wash and the addition of 20,000 irrigable acres in four townships adjacent to but not included within the originally authorized project.

Providing irrigation service to these 110,000 acres will not only require the modification of the original authorization to include the four townships but it also will require an authorization for the investment of substantially more money because the lands, particularly west of the Wash, are much more expensive to serve. We estimate now that it will require an additional \$60 million over the currently authorized \$135 million (indexed to \$145 million) to irrigate 110,000 acres.

Since the project was authorized four years ago, exciting new opportunities for industrial development on the Navajo lands have been emerging. These include particularly the opportunity to use the coal resource of the Navajo Indians for steam generation of electric power and to develop related industries, including petrochemicals. Accordingly, we are not now at all sure that it will be serving the Navajos well to dedicate all of their available water for agricultural

purposes and by so doing foreclose possibilities for industrial and recreational development which would seem to offer more possibilities to advance the economic opportunities of the Tribe.

With this in mind, we are working with the Tribe to evaluate potential opportunities for industrial development on tribal lands in the area and the economic advantages that would accrue to the Navajo people if water were made available for, and dedicated to, industrial and other nonagricultural purposes.

Also, I am asking the Bureau of Reclamation to conduct a complete re-evaluation of the proposed irrigation project and to advise me as to the size and location of an irrigation project which would make the most efficient use of water and other resources. I have asked to be advised as quickly as possible of the comparative advantages of including and not including the lands in the four townships outside of the authorized area. I also have asked to be informed as to whether or not it would be advisable and possible to modify the main supply works if less than the 110,000 acres were placed under irrigation. Frankly, I now have grave doubts as to the advisability of planning at any time to extend the irrigation project west of Chaco Wash. The studies which I am requesting will provide a basis for making a decision on this matter. When meaningful information is available from these studies, we shall, of course, discuss them with you in depth.

I believe that this course of action will permit us to make good use of funds currently available to the Navajo Project as well as the Bureau of Reclamation and the Bureau of Indian Affairs personnel in the area, and give both you and me assurances that we are making the best use of resources and obtaining the best possible results for the Tribe. I would like to emphasize that studies we will make are intended solely to assist the Tribe in making the best use of its water. Our studies are not intended in any way to affect the Tribe's entitlement to the water or the construction of those facilities that would be necessary for delivery. I hope this course of action meets with your approval.

You also expressed your interest in the early execution of the contract between the Navajo Tribe and the Department of the Interior

which was approved by the Navajo Tribal Council March 24, 1964.
In view of the questions which have been raised and which we propose to study, we have intentionally delayed finalizing the contract.

Sincerely yours,

(sgd) Stewan

Secretary of the Interior

Hon. Clinton P. Anderson
United States Senate
Washington, D. C.

cc:

Assistant Secretary, Public Land Management
Commissioner, Bureau of Reclamation
Commissioner, Bureau of Indian Affairs ✓