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WESTERN STATES

WATER COUNCIL

SECOND ANNUAL REPORT

1967



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Western States Water Council
7000 N.E. Airport Way - Room 410
Portland, Oregon 97218

The Western States Water Council is an official state-based, -funded, and -operated intergovernmental agency responsible to the Governors of the eleven contiguous western states - Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming - members of the Western Governors Conference.

WESTERN STATES WATER COUNCIL

GOVERNORS

1967

ARIZONA	Jack Williams
CALIFORNIA	Ronald Reagan
COLORADO	John A. Love
IDAHO	Don Samuelson
MONTANA	Tim Babcock
NEVADA	Paul Laxalt
NEW MEXICO	David F. Cargo
OREGON	Tom McCall
UTAH	Calvin L. Rampton
WASHINGTON	Daniel J. Evans
WYOMING	Stanley K. Hathaway

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WESTERN STATES WATER COUNCIL

7000 N.E. Airport Way - Room 410

Portland, Oregon 97218

A.C. 503 - 282-9873

January 1, 1968

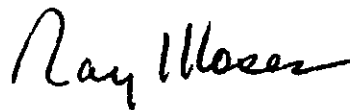
Governor John A. Burns, Chairman
Western Governors' Conference
Iolani Palace
Honolulu, Hawaii

Dear Governor Burns:

Transmitted herewith is the second annual report of the Western States Water Council, created by resolutions of the Western Governors' Conference in 1964 and 1965. Although neither Hawaii or Alaska are presently members of the Council, I hope the time may soon arrive when the mutuality of interests in water matters will grow to the extent that they become members. Activities of the Council for the calendar year of 1967 are presented in the report.

Copies are being furnished to member states in accordance with needs as expressed by each state representative.

Very truly yours,



Raphael J. Moses

Chairman (Colorado)

SECOND ANNUAL REPORT - 1967**WESTERN STATES WATER COUNCIL****ORGANIZATION**

As a result of and by authority contained in Resolutions adopted by the Western Governors' Conference May 3-6, 1964, and June 10-13, 1965, the Western States Water Council was formed to foster cooperation among the States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming in the development of their water resources.

COUNCIL MEETINGS - 1967

The seventh Council meeting was convened at Salt Lake City, Utah, on March 31, 1967. Governor Calvin Rampton addressed the Council, expressing the importance of the Council in exploring the needs and the development and preservation of the water resources within the eleven western states. Reports by both the Water Policy and Legislative Committee and the Water Resources Committee were consolidated into a Liaison Group report consisting of Section 1 - Principles, Section 2 - Standards, and Section 3 - Guidelines. Sections 2 and 3 were unanimously approved. The Council announced a decision, based on the trend toward committee action initiated at the July, 1966 meeting in Seattle, that there will be a reduction in the staff to an executive director and a secretary. A report on the staff activities for the past year was presented, and the draft of the annual report unanimously approved. Chairman Moses reported on Congressional action on legislation concerning the development of the Colorado River. Mr. Jerry Butchert, Executive Secretary of the Eel River Association, discussed the statement submitted by the association to the House Interior and Insular Affairs Committee in Washington, D.C., March 23, 1967. The possibility was suggested that the Council take a position on certain suggestions to report to the Public Land Law Review Commission who is reviewing both land and water laws in the western states. Review of the existing federal policy on the 160-acre limitation bill was also suggested. A brief report was made on water resources development in the state of Texas, and assurance given to the Council of their continued vital interest in the activities of the Western States Water Council.

ANNUAL MEETING

The regular annual meeting was convened at Idaho Falls, Idaho, on June 23, 1967. A proposed statement of position of the Western States Water Council on the Public Land Law Review Commission Water Study was presented. The an-

nual election was held and Mr. Raphael J. Moses (Colorado) and Mr. William S. Holden (Idaho) were unanimously re-elected as Chairman and Vice-Chairman respectively. Mr. Donel J. Lane (Oregon) was re-appointed Secretary-Treasurer. Progress reports were presented on the Pacific Northwest River Basins Commission and the Pacific Southwest Inter-Agency Committee. A report on Idaho's progress in water studies was presented. Important water legislation and activities in the state of Texas were summarized, and the unanimously adopted resolution by the Texas legislation on the 160-acre limitation was submitted. A redraft of Section 1 - Principles was considered; however, due to the 30 day ruling in Article X, the matter was carried over to the September meeting. Chairman Moses circulated his presentation at the Western Governors' Conference in West Yellowstone, Montana, June 26, 1967, on the progress of the Western States Water Council. (Annex No. 6)

The ninth Council meeting convened in Helena, Montana, September 29, 1967. Mr. James Patten, Executive Assistant to the Governor, addressed the Council in his behalf. Mr. James E. Goddard, Chief of Flood Plain Management, Corps of Engineers, Washington, D.C., reported on the Flood Plain Management Services Program and stressed the importance of the cooperative efforts needed by local, state and federal governments and private interests to effect the wise use of our water resources and our flood plains. Montana's water development program was outlined. The Council, at this meeting, unanimously adopted Section 1 - Principles, with the states of California, New Mexico and Utah entering into the record, explanations of their votes. (The approved Principles, Standards and Guidelines are appended as Annex No. 4.) Representatives from each state presented reports on their state's water quality standards and classification of streams, complying with the Federal Water Pollution Control Act of 1965.

COMMITTEES

EXECUTIVE COMMITTEE

The Executive Committee, consisting of one representative from each member state, exercises the powers of the Council between meetings on internal matters, and screens proposals and programs on external matters before final consideration of the council. The members of the Executive Committee were:

ARIZONA	Judge Evo DeConcine
CALIFORNIA	Mr. William R. Gianelli
COLORADO	Mr. Raphael J. Moses

IDAHO	Mr. William S. Holden
MONTANA	Mr. Wesley A. D'Ewart
NEVADA	Mr. Ivan P. Head
NEW MEXICO	Mr. S. E. Reynolds
OREGON	Mr. Donel J. Lane
UTAH	Mr. Thorpe A. Waddingham
WASHINGTON	Mr. H. Maurice Ahlquist
WYOMING	Mr. Floyd A. Bishop

Since its formation the Executive Committee has met prior to each Council meeting. Other meetings were held at Salt Lake City, Utah, January 27, 1967, to receive reports of the two working committees; in Portland, Oregon, May 9, 1967, for the approval of the annual report, consideration of a statement on the Council's view on Public Land Law Review Commission Water Study, and further discussion on the Principles; again in Portland, Oregon, August 22, 1967, primarily for the purpose of reaching an agreement on the Principles, and review of applicants for Executive Director. At this meeting the Committee approved the statement to the Public Land Law Review Commission (Annex No. 5) which was presented to the Commission at a hearing held in Spokane, Washington, September 1-2, 1967, by Mr. Wesley A. D'Ewart (Montana). Prior to the September Council meeting in Helena, Montana, the Executive Committee again considered the Principles and the final language was agreed upon and Section 4a added. At a meeting in Las Vegas, Nevada, October 30, 1967, the committee met for the interview of applicants, discussion of the Activities Committee's proposed activity program for the Council, the consideration of incorporating the Council, and the proposed speech of Chairman Moses before the National Reclamation Association Conference in Honolulu, November 12-18, 1967.

WORKING COMMITTEES

The two working committees, the Water Policy and Legislative Committee and the Water Resources Committee presented their respective reports on Principles and Criteria at the Council meeting in Los Angeles, December 9, 1966. A Liason Committee was appointed by the Chairman, headed by the two chairmen of the working committees. General Louis H. Foote (Oregon) and Judge Evo DeConcini (Arizona). Other members were Mr. William S. Holden (Idaho) and Mr. Raymond R. Rummonds (California). The Liaison Committee

met with the Executive Committee in Salt Lake City, Utah, in January, combining the two committee report into one. The combined report was submitted to the Council in Salt Lake City, Utah, March 31, 1967, wherein only Section 2 - Standards and Section 3 - Guidelines were approved. Subsequent action to Section 1 - Principles was taken by the Executive Committee resulting in final approval at the full Council meeting in Helena, Montana, September 29, 1967.

Members of the Water Policy and Legislative Committee were:

ARIZONA	Judge Evo DeConcini, Chairman
CALIFORNIA	Mr. Wesley Steiner
COLORADO	Mr. Felix L. Sparks
IDAHO	Mr. Willaim S. Holden, Vice-Chairman
MONTANA	Mr. Alex McDermott
NEVADA	Mr. Elmo J. DeRicco
NEW MEXICO	Mr. Hilton A. Dickson
OREGON	Mr. Eugene E. Marsh
UTAH	Mr. Dallin Jensen
WASHINGTON	Mr. Callison Marks
WYOMING	Mr. Thomas E. Cahill

Members of the Water Resources Committee were:

ARIZONA	Mr. William S. Gookin
CALIFORNIA	Mr. Raymond R. Rummonds
COLORADO	Mr. R. T. Eckles
IDAHO	Mr. G. L. Crookham, Jr.
MONTANA	Mr. Wesley A. D'Ewart
NEVADA	Mr. George W. Hennen
NEW MEXICO	Mr. S. E. Reynolds
OREGON	General L. H. Foote, Chairman
UTAH	Mr. Jay R. Bingham
WASHINGTON	Mr. Robert O. Sylvester
WYOMING	Mr. Myron Goodson

**TEXAS AND THE WESTERN STATES
WATER COUNCIL**

At the Western Governors' Conference in West Yellowstone, Montana, June 25-28, 1967, the consideration of the State of Texas for membership in the Western States Water Council resulted in their continuance as an observer. Governor Connally of Texas submitted a letter to the Western Governors regarding the future of Texas with the Western States Water Council and the importance of maintaining an observer status. Mr. Mills Cox and Mr. Marvin Shurbet attended the March and June meetings, and Mr. Shurbet and Mr. W. E. Tinsley the September meeting, reporting on important water legislation and activities in the State of Texas.

STAFF**PERSONNEL**

Executive Director	Mr. Wright Hiatt	January 1 - July 1
Executive Engineer	Mr. Norman A. Matthias	January 1 - May 9
Economic Analyst	Mr. Carter Harrison	January 1 - April 1
Secretary	Mrs. Juanita Rogers	January 1 - June 1
Secretary	Mrs. Lynn Weber	January 1 - May 1
Secretary	Mrs. Ethel Voss	June 1 -

EMPLOYMENT

Due to the Council's trend toward committee-type action, the Executive Committee, at its meeting in Salt Lake City, Utah, January 27, 1967, decided that the Council was overstaffed and informed the staff of their intention to effect a reduction. It was the consensus that one staff director and a secretary could perform the functions desired. Mr. Wright Hiatt accepted a federal position leaving the Executive Director's position temporarily vacant. Applications for the position are being considered; however, a motion unanimously passed by the Executive Committee in Las Vegas, Nevada, October 30, 1967, deferred decision on appointment of an Executive Director until the Council has adopted a new activity program. Mrs. Juanita Rogers left for a position with the Pacific Northwest River Basins Commission and Mrs. Ethel Voss was employed June 1, 1967, as staff secretary.

COUNCIL ACTIVITIES

The Western States Water Council published and distributed their First Annual Report in May, 1967. Standards and Guidelines were presented and approved March 31, 1967, in Salt Lake City, Utah. Principles were also presented in the March 31st meeting and unanimously adopted September 29, 1967, in Helena, Montana. The Council approved a statement of position on the Public Land Law Review Commission Water Study in Portland, Oregon, August 22, 1967, which was later presented to the Commission at a hearing held in Spokane, Washington, September 1-2, 1967, by Mr. Wesley A. D'Ewart (Montana). An Activities Committee was appointed in Portland, Oregon, August 22, 1967, to propose an activity program for the Council. Members of that committee are Mr. William S. Holden (Idaho), Mr. William R. Gianelli (California), and Mr. Floyd A. Bishop (Wyoming).

BUDGET AND FINANCES

The Western Governors' Conference resolution authorizing the formation of the Western States Water Council limited the budget for the first year to \$150,000, with each member state contributing equally. At the Executive Committee meeting in Idaho Falls, Idaho, June 22, 1967, a budget of \$124,000 was unanimously adopted, using an estimated carry-over of unobligated funds from FY '67, and changing each member state's assessment for FY '68 from \$11,121 to \$5,000.

The unobligated balance on June 30, 1967, was \$66,475, which resulted in an assessment to each member state for FY '68 of \$5,000. Statements of revenues and expenditures for FY '67, and the first half of FY '68 are presented in Annexes 7 and 8.

As of January 1, 1968, all member states had reported assurances of meeting their FY '68 assessments, but one member state had not made payment.

The firm of Goebel, Jarrard and Butcher, Certified Public Accountants, Portland, Oregon 97204, serves as auditors of the Council finances and accounting.

ANNEX 1**MEMBERS****WESTERN STATES WATER COUNCIL**

December 31, 1967

ARIZONA

*Honorable Jack Williams
Governor of Arizona
State House
Phoenix, Arizona

**Judge Evo DeConcini
510 Valley National Building
Tucson, Arizona 85716

Mr. William S. Gookin
Arizona Interstate Stream Comm.
112 North Central Avenue
Phoenix, Arizona 85004

Mr. Sam F. Dick, President
Yuma County Waters Users Assn.
Post Office Box 708
Yuma, Arizona 85364

**Mr. Raphael J. Moses
Post Office Box 34
Boulder, Colorado 80302

Mr. Felix L. Sparks, Director
Colorado Water Conservation Bd.
102 Columbine Building
1845 Sherman Avenue
Denver, Colorado 80203

Mr. R. T. Eckles, Coordinator
Division of Natural Resources
1845 Sherman Avenue
Denver, Colorado 80203

CALIFORNIA

*Honorable Ronald Reagan
Governor of California
State Capitol
Sacramento, California

**Mr. William R. Gianelli, Director
Department of Water Resources
State of California
Post Office Box 388
Sacramento, California 95814

Senator Gordon Cologne
Room 3086, State Capitol
Sacramento, California 95814

Mr. Raymond R. Rummonds, Chr.
Colorado River Board of California
Route 1, Box 181-R
Indio, California 92201

COLORADO

*Honorable John A. Love
Governor of Colorado
State Capitol
Denver, Colorado

IDAHO

*Honorable Don W. Samuelson
Governor of Idaho
State Capitol
Boise, Idaho

**Mr. William S. Holden
Post Office Box 129
Idaho Falls, Idaho 83401

Mr. George L. Crookham, Jr.
Post Office 520
Caldwell, Idaho 83605

Mr. Arlie Parkins
Marsing, Idaho 83639

MONTANA

*Honorable Tim Babcock
Governor of Montana
State Capitol
Helena, Montana

**Mr. Wesley A. D'Ewart
Route 1
Wilsall, Montana 59086

Mr. Clyde Hawks
St. Xavier, Montana

Mr. Alex McDermott
Montana Water Resources Board
State Capitol Building
Helena, Montana 59601

Mr. S. P. Kurth (Alternate)
805 Midland National Bank Bldg.
Billings, Montana 59101

Mr. Hilton A. Dickson
212 North Arizona Street
Silver City, New Mexico 88061
(1/1/67-7/20/67)

NEVADA

*Honorable Paul Laxalt
Governor of Nevada
State Capitol
Carson City, Nevada 89701

**Mr. Ivan P. Head, Administrator
Colorado River Commission
Post Office Box 1748
Las Vegas, Nevada 89101

Mr. Fred L. Fletcher
Pan-World Engineers
220 South Virginia Street
Reno, Nevada 89501
(1/1/67-6/30/67)

Senator C. Clifton Young
195 South Sierra St.
Reno, Nevada 89501
(7/1/67-12/31/67)

Mr. Hugh A. Shamberger
Assistant Director
Desert Research Institute
University of Nevada
Reno, Nevada 89507
(1/1/67-6/30/67)

Mr. Elmo J. DeRicco, Director
Department of Conservation and
Natural Resources
Nye Building - 201 S. Fall St.
Carson City, Nevada 89701
(7/1/67-12/31/67)

Mr. Robert S. Leighton (Alternate)
Post Office Box 10100
Reno, Nevada 89510
(7/1/67-12/31/67)

Mrs. Geraldine B. Tyson
(Alternate)
Nevada State Assemblyman
Post Office Box 14492
Las Vegas, Nevada 89114
(7/1/67-12/31/67)

NEW MEXICO

*Honorable David F. Cargo
Governor of New Mexico
State Capitol
Santa Fe, New Mexico 87501

**Mr. S. E. Reynolds, State Engineer
State of New Mexico
State Capitol Building
Santa Fe, New Mexico 87501

Mr. Dale Walker
Bank of New Mexico Bldg.
Rm. 1222
Albuquerque, New Mexico 87101
(7/20/67-12/31/67)

Mr. John Russell
Post Office Box 640
Roswell, New Mexico 88201
(1/1/67-8/16/67)

Mr. Homer C. Berry
Post Office Box 407
Dexter, New Mexico
(8/16/67-12/31/67)

Mr. David P. Hale (Alternate)
New Mexico Interstate Stream
Commission
State Capitol Building
Santa Fe, New Mexico 87501

OREGON

*Honorable Tom McCall
Governor of Oregon
State Capitol
Salem, Oregon 97310

**Mr. Donel J. Lane
State Water Resources Board
500 Public Service Building
Salem, Oregon 97310

General Louis H. Foote (USA-Ret.)
Oregon Water Resources Board
1633 Filbert Street
Forest Grove, Oregon 97116

Mr. Eugene E. Marsh
525 East 4th Street
McMinnville, Oregon 97128

Mr. Chris L. Wheeler (Alternate)
State Engineer
516 Public Service Building
Salem, Oregon 97310

UTAH

*Honorable Calvin L. Rampton
Governor of Utah
State Capitol
Salt Lake City, Utah 84114

**Mr. Thorpe A. Waddingham
Post Office Box 177
Delta, Utah 84624

Mr. Harry D. Pugsley
400 El Paso Gas Bldg.
Salt Lake City, Utah 84111

Mr. Jay R. Bingham,
Executive Director
Utah Water and Power Board
435 State Capitol
Salt Lake City, Utah 84114

WASHINGTON

*Honorable Daniel J. Evans
Governor of Washington
State Capitol
Olympia, Washington 98501

**Mr. H. Maurice Ahlquist, Director
Department of Water Resources
335 General Administration Bldg.
Olympia, Washington 98501

Mr. Callison Marks
The Spokesman Review
Spokane, Washington 99201

Mr. Robert O. Sylvester
Department of Engineering
University of Washington
Seattle, Washington 98105

WYOMING

*Honorable Stanley K. Hathaway
Governor of Wyoming
State Capitol
Cheyenne, Wyoming 82001

**Mr. Floyd A. Bishop,
State Engineer
State of Wyoming
State Capitol
Cheyenne, Wyoming 82001

Mr. John F. Raper,
Attorney General
State of Wyoming
State Capitol
Cheyenne, Wyoming 82001
(1/1/67-3/1/67)

Mr. Willard Rhoads, Legislator
State of Wyoming
North Fork Route
Cody, Wyoming 82414
(3/1/67-12/31/67)

Mr. Myron Goodson
Chief of Water Resources
Wyoming Natural Resource Board
210 West 23rd Street
Cheyenne, Wyoming 82001

Mr. Thomas E. Cahill (Alternate)
Special Assistant Attorney General
State Office Building
Cheyenne, Wyoming 82001

COUNCIL OFFICERS - 1967

Chairman:
Mr. Raphael J. Moses - Colorado

Vice Chairman:
Mr. William S. Holden - Idaho

Secretary-Treasurer:
Mr. Donel J. Lane - Oregon

* Ex-Officio Member

** Executive Committee Member

ANNEX 2**WESTERN STATES WATER COUNCIL
RULES OF ORGANIZATION****ARTICLE I — NAME**

The name of this organization shall be "The Western States Water Council".

ARTICLE II — PURPOSE

The purpose of the Western States Water Council shall be to accomplish effective cooperation among western states in planning for programs leading to integrated development by state, federal and other agencies of their water resources.

ARTICLE III — PRINCIPLES

Except as otherwise provided by existing compacts, the planning of western water resources development on a regional basis will be predicated upon the following principles for protection of states of origin:

- (1) All water-related needs of the states of origin, including but not limited to irrigation, municipal and industrial water, flood control, power, navigation, recreation, water quality control, and fish and wildlife preservation and enhancement, shall be considered in formulating the plan.
- (2) The rights of states to water derived from interbasin transfers shall be subordinate to needs within the states of origin.
- (3) The cost of water development to the states of origin shall not be greater, but may be less, than would have been the case had there never been an export from those states under any such plan.

ARTICLE IV — FUNCTIONS

The functions of the Western States Water Council shall be to:

- (1) Prepare criteria in the formulation of plans for regional development of water resources to protect and further state and local interests.

- (2) Undertake continuing review of all large-scale interstate and interbasin plans and projects for development, control or utilization of water resources in the western states and submit recommendations to the Governors regarding the compatibility of such projects and plans with an orderly and optimum development of water resources in the western states.

ARTICLE V — MEMBERSHIP

- (1) The membership of the Council shall consist of not more than three representatives of each of the states of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming appointed by and at the pleasure of the respective Governors. The states of Alaska and Hawaii shall be added to membership if their Governors so request.
- (2) Member states may name alternate representatives for any meeting.
- (3) Any state may withdraw from membership upon written notice by its Governor.

ARTICLE VI — EX OFFICIO MEMBERS

The Governors of the member states shall be ex officio members and shall be in addition to the regularly appointed members from each state.

ARTICLE VII — OFFICERS

The officers of the Council shall be the Chairman, Vice Chairman and Secretary-Treasurer. They shall be selected in the manner provided in Article VIII.

ARTICLE VIII — SELECTION OF OFFICERS

The Chairman and Vice Chairman, who shall be from different states, shall be elected from the Council by a majority vote at a regular meeting to be held in July of each year. The Secretary-Treasurer shall be appointed by and serve at the pleasure of the Chairman and need not be a member of the Council. The Chairman and Vice Chairman shall serve one-year terms, but may not be elected to serve more than two terms consecutively in any one office.

ARTICLE IX — EXECUTIVE COMMITTEE

Representatives of each state shall designate one of their members to serve on an Executive Committee which shall have such authority as may be conferred on it by these Rules of Organization, or by action of the Council. Any Executive Committee member may designate an alternate to serve in his absence. All standing, working, special or other committees of the Council may report to the Council through the Executive Committee.

ARTICLE X — VOTING

Each state represented at a meeting of the Council shall have one vote. A quorum shall consist of a majority of the member states. No matter may be brought before the Council for a vote unless advance notice of such matter has been mailed to each member of the Council at least 30 days prior to the meeting at which such matter is to be considered; provided, that matters may be added to the agenda at any meeting by unanimous consent of those states represented at the meeting. In any matter put before the Council for a vote, other than election of officers, any member state may upon request obtain one automatic delay in the voting until the next meeting of the Council. Further delays in voting on such matter may be obtained only by majority vote. No recommendation may be issued or external position taken by the Council except by unanimous vote of all member states. On all internal matters, however, action may be taken by majority vote.

ARTICLE XI — CONDUCT OF MEETINGS

Except as otherwise provided herein, meetings shall be conducted under Robert's Rules of Order, Revised.

ARTICLE XII — MEETINGS

The Council shall have one regular meeting each year in the month of July at a time and place to be decided by the Chairman. Special meetings may be called by the Chairman or by a majority of the member states, upon 30 days written notice.

ARTICLE XIII — LIMITATIONS

The work of the Council shall in no way defer or delay authorization or construction of any projects now before Congress for either authorization or appropriation.

ARTICLE XIV — AMENDMENT

These articles may be amended at any meeting of the Council by unanimous vote of the member states represented at the meeting. The substance of the proposed amendment shall be included in the call of such meeting.

ANNEX 3**CHARTER OF THE EXECUTIVE COMMITTEE
OF THE
WESTERN STATES WATER COUNCIL****ORGANIZATION**

The Executive Committee of the Western States Water Council consists of one representative from each member state in accordance with Article IX - Executive Committee - of the "Rules of Organization". The Chairman and Vice Chairman of the Council shall represent their states on and be members of the Executive Committee. The Council staff furnishes necessary assistance as desired and requested by the Executive Committee. The Executive Committee, subject to subsequent confirmation by the Council, may create working groups, subcommittees or ad hoc groups to undertake special limited assignments.

AUTHORITY

The authority of the Executive Committee derives from the Council itself and includes all powers of the Council between meetings of the Council. Such authority is limited to internal matters.

VOTING

Each member of the Executive Committee shall have one vote in conducting business. A quorum consists of six (6) members, and a simple majority of those voting shall prevail.

MEETINGS

Regular meetings of the Executive Committee shall be held in conjunction with meetings of the Council. Special meetings of the Executive Committee may be called by the Chairman or by the Vice Chairman in the event the Chairman is incapacitated, or by any six members, upon five days notice to all members, stating the time and place of the meeting. When all members are present no notice is required. All meetings may be adjourned to a time certain by majority vote of those present.

ANNEX 4**WESTERN STATES WATER COUNCIL
PRINCIPLES — STANDARDS — GUIDELINES****PREAMBLE**

The Constitution of the United States and the Constitution of the individual States shall be adhered to in Western regional water planning and development.

This statement of principles reaffirms, expands and clarifies principles set forth in Article III, "Rules of Organization" of the Western States Water Council.

1.0 PRINCIPLES

1.1 Comprehensive regional planning, transcending political boundaries, is a major consideration in the maximum proper utilization of the water and related resources of the West. Development of those resources to meet all reasonable needs as they may arise is essential to the continuing prosperity of the region and each of its economically interdependent parts.

1.1.1 The planning process should include or supplement rather than supersede existing water resource developments; it should complement and strengthen local and state planning activities rather than displace them; it should result from cooperative effort of all agencies concerned.

1.1.2 The planning program should be aimed to achieve a reasonably equitable balance among all existing and potential uses of water, insofar as the supply available or to be developed will permit, consistent with established rights.

1.1.3 Water resources of the region should be put to beneficial use to the fullest practicable extent in an efficient manner in accord with the needs and types of use in the particular area.

1.1.4 It is imperative that all States, as expeditiously as possible, make thorough studies of their water resources and predicted water needs in accordance with Guidelines and Standards similar to those adopted by the Council.

1.1.5 Long-range water plans should be expeditiously developed which are flexible enough to permit modifications to meet changing long-term needs and advances in technology, yet specific enough to provide solutions for immediate water supply problems.

1.1.6 Water exportation studies shall include a thorough examination of efficiency of water use and cost-price relationships and a comprehensive economic evaluation that considers all costs and benefits accruing to the area of origin and costs and benefits accruing to the area of import. The economic analysis must include similar studies for alternative sources of supply. Esthetic values shall be considered in over-all project evaluation.

1.1.7 Close cooperation and free interchange of ideas and reporting of data on a uniform basis among all affected local, State and Federal interests, shall be sought.

1.1.8 Water resource planning shall consider water quality as well as quantity.

1.2 Regional water planning should be designed to avoid interference with existing rights to the use of water. Any taking of land or water rights shall be governed by the law of eminent domain. Interstate compact allocations shall be honored.

1.2.1 Any entity studying transfer of surplus water shall recognize the economic, social, legal, political and ethical implications of the transfer on both the exporting and importing areas. Such entity must plan so as to assure social and economic growth and development, by either:

- (a) The return or replacement of the water exported to the area of origin; or
- (b) Providing equivalent beneficial programs acceptable to the area.

1.2.2 The rights to water of regions; states or individuals must be recognized and guaranteed through due process of law.

1.3 Except as otherwise provided by existing law, the planning of water resources development in the Western states shall be predicated upon the following principles for protection of and assistance to states of origin:

1.3.1 Inter-basin or inter-regional transfer of water shall contemplate only the transfer from the area of origin of those quantities of water deemed to be surplus. The States shall endeavor to agree upon determination of quantities of water that are surplus.

1.3.2 In making determinations of possible surplus water, all water-related needs of the states and areas of origin, including but not limited to, irrigation, domestic, stock, municipal, industrial, flood control, power, navigation, recreation, water quality control, fish and wildlife preservation and enhancement, and esthetic enjoyment shall be recognized.

1.3.3 All water requirements, present or future, for uses within the drainage area of any river basin, shall have priority and right in perpetuity to the use of the waters of that river basin, for all purposes, as against the uses of water delivered by means of such exportation works, unless otherwise provided by treaty, interstate agreement or compact.

1.3.4 The cost of water development to the states of origin shall not be greater, but may be less, than would have been the case had there never been an export from those states under any such plan.

1.3.5 In the study of inter-state diversion, any interstate diversion project shall neither impede nor minimize the development of water resources in the state of origin, and shall result in substantive net advantage to such state over the advantage it could have obtained, by itself or otherwise, without such diversion project.

1.3.6 All plans for inter-basin diversion of water shall provide for such financial arrangements with the states of origin as may be necessary to comply with Section 1.3.4 and 1.3.5 above.

1.3.7 The exportation of water shall not change an area of origin from a water-rich to a water-deficient economy and shall not adversely affect the competitive position of the area of origin.

1.3.8 State or area of origin priority shall be explicitly set forth in all contracts for the use of imported water. Should such priority ever be denied, through subsequent action of the Congress, or otherwise, areas of origin will be entitled to just compensation.

1.3.9 Federal statutes designed to protect areas and states of origin, in any regional interstate plan of origin, in any regional interstate plan of water development, should include the consent by the United States for any such state of origin to sue in the Federal Courts, to compel Federal officials to comply with such statutes and for such other relief as deemed equitable.

1.4 This statement of principles shall not be considered as any support or advocacy for the diversion of water from one river basin to another.

2.0 STANDARDS FOR GUIDANCE IN THE FORMULATION OF CONCEPTS AND PLANS FOR STAGED REGIONAL DEVELOPMENT OF WATER RESOURCES

2.1 A Western States water resource program shall be developed and maintained by the Western States Water Council through compilation and analysis of available state-wide plans and Federal interbasin and interstate plans, to provide a broad and flexible pattern into which future definite projects may be integrated in an orderly fashion.

2.2 A basic objective of the program is to provide a framework within which projects may be developed to meet the requirements for water to the extent feasible as and where they arise.

2.3 A determination of the advantages and disadvantages of alternate methods of meeting water needs should be included in the Western States water resource program.

2.4 In order to provide the uniformity necessary to facilitate compilation and analysis of the various state-wide water plans, it is recommended that such plans contain projects of usable water resources and an inventory of need for the years:

1980

2000

2020

2040

2.5 Each Member State should strive to complete, no later than June 30, 1970, a preliminary water plan, including estimates of water resources and estimates of current and long-range water needs.

3.0 GUIDELINES AND PROCEDURES FOR CORRELATION OF PLANS AND SCHEDULES AMONG WESTERN STATES

3.1 Interstate Exchange of Information and Data

3.1.1 When a state publishes reports or takes any action which may affect the plans or objectives of other states, the affected states and and the Western States Water Council staff should be furnished copies thereof. Request for basic data and supporting information should be initiated by the state needing the data or information.

3.1.2 The request for the exchange of basic data and supporting information should be coordinated through one state agency.

3.1.3 The name, official position, address and telephone number of the designated state office will be forwarded to the Western States Water Council staff. The staff will prepare a consolidated list of designated offices and distribute copies to all states through the states' member of the Executive Committee, Western States Water Council.

3.1.4 The type of reports and actions which should be sent to other states and the Western States Water Council staff includes but is not limited to copies of the following:

3.1.4.1 Summaries of current and long-range estimates of various types of water needs and usable water resources.

3.1.4.2 Planning schedules for developments of all large scale interstate and interbasin plans and projects.

3.1.4.3 State evaluation of programs such as weather modification, watershed management, groundwater recharge, desalination, and waste water reclamation.

3.1.4.4 Major legal and administrative decisions pertaining to water resources.

3.1.4.5 State or Federal legislation as proposed by any state materially affecting Western States water planning.

3.2 Correlation of Plans and Schedules

3.2.1 A Master List shall be prepared and maintained at the Headquarters of the Western States Water Council of items furnished pursuant to Section 3.1 with copies to be furnished to Member States at appropriate intervals.

ANNEX 5

WESTERN STATES WATER COUNCIL
STATEMENT OF POSITION ON
PUBLIC LAND LAW REVIEW COMMISSION WATER STUDY

The purpose of the Western States Water Council is to accomplish effective cooperation among Western States in planning for programs leading to integrated water development of water resources by state, federal and other agencies. Consequently, the "Proposed Study Plan - Water", of the U.S. Public Land Law Review Commission, is of vital interest because waters which originate on or flow across public lands constitute most of the water supply available in the Western States.

All the states on the Council are actively participating in the Comprehensive Type 1 Framework Studies. In the Pacific Northwest, these studies are under the jurisdiction of the federal-state Pacific Northwest River Basins Commission. In the Pacific Southwest, similar studies are under the jurisdiction of the federal-state Pacific Southwest Inter-Agency Committee. The purpose of these studies is to provide information, on a regional basis, necessary for the preparation of comprehensive river basin development plans for water and related land resources. It would appear that these studies will complement but could overlap much of the work to be accomplished by the Public Land Law Review Commission in the water field unless care is taken to prevent it.

OBJECTIVES OF STUDY PLAN

The proposed water study plan states that:

"While the Commission's charter to study water as a resource of the public lands is broad enough to encompass all development, management, and use of water originating on or flowing across the public lands concerning which the Commission is to make recommendations, the essential requirements of the Commission can be fulfilled by two rather limited studies."

The first of these studies relates to the role of the public lands as a source of water. The second concerns the effect that federal program for the disposition or retention of the public lands will have on direct or indirect requirements for water in conjunction with such programs.

The water study plan notes that the foregoing approach substantially restricts any in-depth review of the overall water development programs of either the Bureau of Reclamation or the Corps of Engineers. The multiple-purpose projects currently constructed under those programs are generally not solely related to federal public land programs, but benefit all lands in need of water, whether such lands are in private or public ownership. The study plan does not propose to explore the many facets of the Federal Power Commission's administration of its hydroelectric power licensing responsibilities.

Consequently, it appears that the water study plan of the Public Land Law Review Commission proposes to examine these programs only to determine in a general way the extent to which (1) such construction programs have physically affected the development and conservation of public water yields, and (2) the impoundment of waters on the public lands affects other public land values.

It appears that the Commission proposes to direct its efforts to evaluating the public lands as a source of water, the extent of the use of water on such lands, and the supply of and the various demands for water from the public lands. Also, the economic dependence upon water arising on or flowing across public lands will be investigated by determining agricultural investments on irrigated lands, population, and power generation dependent upon such water. Presumably, the Commission will determine the best alternative developments for the public lands, the probable extent of use of water on public lands, the possible effect on other interests resulting from such development and use of water, and means to improve the legal system under which the public lands are managed.

The Commission proposes to determine the "legal" effect of reserved water rights. This is a matter of great concern to the members of the Western States Water Council and one upon which considerable attention has been given by leading legal authorities in many of these states.

COMMENTS ON STUDY PLAN

The extent to which the Federal Government will exercise its reserved water rights is unknown. Correspondingly, the extent to which existing uses will be pre-empted is unknown. Any study concerned with reserved water rights must give primary consideration to the social and economic aspects related to the exercise of such rights. This analysis should include a study of the need for use of water on public lands and the local economic consequences that would follow if the Federal Government, in exercising its rights, were to pre-empt existing beneficial uses of water.

There should be no apprehension shown of an objective study designed to assemble facts concerning the relationship of federal public lands to water and the benefits and detriments arising therefrom, provided specific means are established for state participation. Rather, given the proper assurances, such a study should be supported, since there will be a definite advantage to having a clear-cut policy with respect to federal public lands and the waters related thereto.

Each of the member states has available much of the data and information necessary to meet the objectives of the proposed study as it relates to the individual states. The states are willing to share these data and information. Inasmuch as this study is of vital significance throughout the West, special care should be made to coordinate actions through the Western States Water Council.

RECOMMENDATIONS

It is recommended that:

1. Through the most direct communication channels possible, there be established a positive and continuing contact between the appropriate principal water departments of each state and (a) their respective representatives of the Governors to the Commission, and (b) with the staff of the Commission.

2. Positive steps be taken by each state to provide assistance to the Commission regarding any studies to be accomplished within the boundaries of the state.

3. Close liaison be established through the Western States Water Council, to provide timely exchange of information and assistance regarding the work of the Commission.

4. The Commission's recommendations take full cognizance of and be compatible with water planning throughout the West.

5. Any recommendations regarding reserved water rights give primary consideration to the social and economic consequences thereof.

OTHER CONSIDERATIONS

In addition to the foregoing, the Western States Water Council has the additional views which it desires to make known to the Public Land Law Review Commission.

WATER RIGHTS

The integrity of state water laws has long been debated in Congress and in the Courts. The Western Governors' Conference, June 28, 1967 at West Yellowstone, Montana, adopted the following resolution which the Western States Water Council wishes to present to the Public Land Law Review Commission as their position with respect to the state water laws and rights.

Resolution adopted by: Western Governors' Conference
1967 Annual Meeting
June 28, 1967
West Yellowstone, Montana

III. STATE WATER LAWS AND RIGHTS

WHEREAS, Recent actions by the U.S. Forest Service in Oregon (and elsewhere) suggest that certain federal agencies are mounting a concerted campaign to pre-empt control of the use of interstate waters originating on federally-owned and controlled lands; and

WHEREAS, This campaign constitutes not only a serious threat to property and livelihood of water users dependent upon an assured supply from these sources but also a direct assault upon the principle of supremacy of state water laws; and

WHEREAS, This historic principle has traditionally been recognized in the western states, not only in federal and state law, but also in the enabling acts by which many of these states were admitted to the union, as the basis upon which water rights are derived; and

WHEREAS, The preservation of this principle is absolutely essential for the protection of the property and human values which have been derived and settled thereunder and for the continued development and prosperity of the western states and the national economy;

NOW, THEREFORE, BE IT RESOLVED, That the 1967 Annual Meeting of the Western Governors' Conference at West Yellowstone, Montana, recommends and strongly urges that the Congress take immediate and effective action to dispel this threat by clear and unequivocal statute upholding the principle of state water law supremacy and removing all questions of doubt that have developed in recent years by reason of administrative rulings and judicial decisions.

WILDERNESS AREAS AND WILD RIVERS

The Western States Water Council believes that only through the multiple use of land and water resources can the greatest good and the greatest economic growth of the eleven western states be achieved. Under the National Wilderness Preservation Act, certain public lands have been designated as wilderness areas. It is contemplated that additional public lands will be added to the wilderness system. Similarly, the proposed wild rivers legislation would reserve certain public lands. Some of the wilderness areas and potential wild river areas contain existing storage reservoirs and reservoir sites which are important to the development and use of our water resources. Closing of a stream by designating it a wild river before its potentials have been studied and known could be a disaster to municipal, industrial, and agricultural development and growth.

ACREAGE LIMITATIONS

The acreage limitation provisions of the federal reclamation law are public land laws of great concern to the member states on the Western States Water Council. We urge that the Public Land Law Review Commission carefully re-examine these laws. The federal reclamation laws contain provisions that prohibit the Bureau of Reclamation from delivering water to more than 160 acres of land in one ownership, unless the owner signs so-called "recordable contracts". For many years, the acreage limitation provisions were liberally interpreted. Recently, however, the Department of the Interior has issued and is implementing new and stricter interpretations of these provisions. Included in these interpretations are rulings with respect to the use of water on lands owned by family corporation and in co-ownership.

The provisions had their origin in the 105-year-old Homestead Act when farming was a matter of a horse and a walking plow, and when investment and overhead were minor matters. That situation has changed. Farming in the West has become a highly competitive, mechanized operation requiring a large capital investment and use of the most modern methods in order for the farmer to realize a reasonable return. In the areas of intensive irrigated agriculture, most of the agricultural economy is based on this concept. Except for the production of a limited number of specialty crops, a 160-acre holding will not support the investment for machinery, equipment, irrigation facilities, and associated operating costs necessary for a successful farming enterprise. In addition, areas of short growing season and poorer lands in high mountain valleys have a further disadvantage when acreage limitations are imposed because of relatively lower yields per acre. The present interpretations concerning the application

of the 160-acre provision of reclamation law are contrary to recent findings by the U.S. Department of Agriculture concerning the necessity for developing larger acreages as an economic farm unit.

Reversing several decades of administrative interpretation, the Secretary of the Interior now contends that acreage limitations apply to federal projects where the costs allocated to irrigation have been fully repaid by the water users. Such interpretation is certainly clearly contrary to the intent of the reclamation law.

We, of the Western States Water Council, therefore request that the Public Land Law Review Commission recommend to the Congress legislation that will meet present economic conditions; reflect modern farming methods; and take into consideration soil and climate conditions, crop production, and the ability of the operator to carry overhead imposed by present day economic conditions.

ANNEX 6

WESTERN STATES WATER COUNCIL

PROGRESS REPORT

DELIVERED BY VICE CHAIRMAN WILLIAM S. HOLDEN
TO WESTERN GOVERNOR'S CONFERENCE, JUNE 26, 1967

It is both a privilege and a pleasure for me to report to you today on the status and progress of the Western States Water Council. It is a privilege because the Water Council is actually a creature of this Conference, as it was conceived and organized under your auspices. It is a pleasure because I feel certain that we have much to report which will interest you.

I should at the outset mention to you that I succeeded to the chairmanship of the Western States Water Council upon the resignation in October, 1966, of Mr. Freeman Holmer, whom most of you know, and who has long been active in the work of this Conference. He moved to Madison, Wisconsin, and assumed the position of Director of the Department of Resource Development for that state. His place on the Oregon delegation was filled by Mr. Donel J. Lane. Chairman Holmer last reported to you on the status of the Western States Water Council at your meeting in Las Vegas last year.

Because 1966 turned out to be the Year of the Elephant in state capitols of the West, I hope those of you who were at Las Vegas last year and heard Mr. Holmer's report will forgive me if I repeat some of the things he said.

As a result of and by authority contained in Resolutions adopted by the Western Governors' Conference, the Western States Water Council was formed to foster cooperation among the States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming in the development of their water resources. Each state is represented on the Council by three people, appointed by, and serving at the pleasure of the Governors. This is your Council.

Legislative authority for participation in and support of the Western States Water Council exists in each of the eleven member states. Four of the member states (California, Idaho, Montana, Utah) have named legislators among the three representatives on the Council. The California legislature established an Advisory Committee; all the other member states have authorized

participation through the state engineer, the state water conservation or natural resources agency. Financial support to the Council is shared equally among all eleven western states.

A leaflet setting forth the Council's Program for Action, its Rules of Organization and Membership, has been distributed to you and I will not repeat that information.

There are three working committees, the Executive Committee, the Water Policy and Legislative Committee and the Water Resources Committee. Each state has one representative on each committee.

The Executive Committee performs the functions usually associated with such committees and meets when necessary between the quarterly meetings of the full Council.

The Water Policy and Legislative Committee is charged with the "study of the social, ethical, legal and political aspects associated with interstate water resources development, and recommendations on policies and courses of action relative to the role of the Council in relationship with the Water Resources Council, pertinent river basin commissions, appropriate federal agencies, the member states and the legislatures of these states; federal and state statutes affecting interstate water resources development; needs for new legislation; 'area of origin' assistance and protection; and the possible dissolution of existing interstate or federal-state committees, councils or inter-agency groups." The Policy and Legislative Committee is to develop and recommend basic assumptions, objectives, principles and criteria for guidance of the Council in the fields of policy and legislation.

The Water Resources Committee is charged with developing and recommending basic principles and standards for guidance in the formulation of concepts and plans for staged regional development of water resources, including protection and furtherance of state and local interests. It will recommend guidelines and procedures for the interstate exchange of basic data and information, and for the correlation of plans and schedules of water resource development. It will also evaluate and advise the Council on all physical and economic factors relevant to staged regional water development. These include, but are not limited to, water supplies, water requirements, water quality, conservation practices, waste water reclamation, flood control, sediment control, navigation, hydropower, recreation, fish and wildlife.

Each of these committees has developed a charter which, in turn, has been approved by the Council.

Upon completion of the work of these latter two committees, their reports were consolidated into a three-part document and agreement has been reached on two sections of the report, "Standards and Guidelines". The third section of the consolidated work of the two committees, that dealing with "Principles", is still under vigorous discussion.

At Las Vegas, Mr. Holmer called your attention to one matter which still requires your attention. That matter is the request of Governor Connally, addressed to Governor Sawyer almost eighteen months ago. Although the representatives from Texas who have been allowed to attend Western States Water Council meetings are most amiable gentlemen, and although the regular Council members have enjoyed their association with these Texans, I am sure all concerned would be more comfortable if their status were more clearly defined.

It is interesting to reflect on some of the reasons for the formation of this rather unique organization for water resources development in the West. Obviously, the states in the Lower Colorado Basin — that is, the States of California (at least Southern California), Arizona and Nevada — are short of water and are seeking increased supplies. Among the Upper Colorado Basin States, New Mexico is a middleman and Utah is an importer, while Colorado and Wyoming, although limited by compacts as to the amount they can use, are producers and exporters of water. Among the Northwestern States, while some quarters tend toward aridity, there is no overall shortage of water and their interests emphasize hydroelectric power and navigation to a greater extent than the Southwestern States. California, with substantial water resources available in the North, and a serious shortage of water resources in the South, is a unique state in many respects, with regard to water resources development in the West. First of all, she is the only state with a large and significant water resources construction program actively in progress, which is financed with state funds. Politically, she is by far more powerful than all the other ten Western States combined, having 38 congressmen to 27 for all the other 10 states. Her state budget for water resources — about 360 million dollars this year — is larger than some other western states' total general revenue. California has already done much to solve her problem of trans-basin diversions. While viewed with mixed feelings by the other 10 western states, California is obviously the most experienced, the most sophisticated, and the most active in the development of her water resources.

Fortunately, California is disposed to cooperate with the other western states and offers to share her accumulated experience, observations, and knowledge, not only through the Western States Water Council, but also through any other means. Fortunately also, she has been and remains one of the strongest supporters of the Council.

I am only half joking when I oversimplify by stating that five states joined the Council to try to get additional water; five states joined the Council to try to retain the water they presently have, and the eleventh state joined to protect its interests in both directions.

I should like, at this time, to say a word about our staffing situation. Regardless of any rumors you may have heard, we are not going out of business. We have reduced our staff in size, but this has been done as a result of our experience that the committee approach to our problems is the most effective way of achieving involvement and communication among our members.

It is relatively easy to assign a problem to a staff and to approve a staff-generated report. But in an area where real visceral controversy abounds, I, for one, believe that real, honest respect for the man on the other side and for his position, best results from the type of face-to-face confrontation afforded by the committee technique.

The "Statements of Principles, Standards and Guidelines" referred to earlier were hammered out by days of argument, out of which grew realization of the mutual problems and concerns of all of our western states, and there is no participant in those negotiations who isn't a wiser and more knowledgeable spokesman for Western water rights as a result.

Therefore, for a time, the staff will be reduced, and I am sure you are pleased by the resulting savings in cost. But we respectfully serve notice that, when needs justify an enlargement of the staff, we will turn again to you for approval of the necessary budgetary adjustment.

I am pleased to report that each state will be called on for only a fraction of previous assessments. Arrangements whereby these funds can be made available early in our fiscal year will be helpful.

The Congress passed the 1965 Planning Act prohibiting study or planning water transfers between river basin commissions; in the same year, the eleven Western Governors formed a Water Council whose function it is to undertake continuing review of such transfers. It is fortunately the nature and inherent good judgment of the American people, when faced with such a clearcut political dilemma, to explore, identify and develop means for moving ahead or around toward ultimate long-range objectives, without being stopped cold and adopting a do-nothing attitude. We are confident that the Western States Water Council will be a most helpful vehicle in assisting the West to move ahead toward a solution to the serious problem of assuring adequate water for future growth and development of the West.

The Western States have certainly not solved their serious water problems by the formation of the Western States Water Council. If the United States Congress cannot — after 20 years of debate and the involvement of the Supreme Court — even agree to report out of the Rules Committee, proposed legislation for projects on the Colorado and in Central Arizona, certainly a small new organization such as our Council, cannot expect to perform a miracle overnight.

But the wise and experienced legislators, lawyers, judges, engineers, economists, politicians and voters know that there are important state and local responsibilities in developing acceptable and workable water projects. The federal government has begun to realize it needs support and assistance from local and state echelons to assure successful planning and formulation for large, regional, multipurpose developments. Some state laws may have to be revised. New laws may be required. Adjustments in water rights will be involved. Water needs and problems can best be studied and solved at the lowest practicable political level.

The establishment and continuance of a body where honest men with differing views can express freely their thoughts, has not been easy, nor will it be easy. Those without water will be impatient with those who have water, and those who have water are fearful of those who lack water.

However, by the very existence of a forum where differences can be aired, the possibility of an eventual accommodation exists. Like the Security Council of the United Nations, each sovereign state holds a veto power, and the small state and the large state alike need no combination of voting blocs.

The basic rules of the game must be remembered as they tend to become obscured by the cries of alarmists on both sides. They are, “. . . the planning of western water resources development on a regional basis will be predicated upon the following principles for protection of states of origin:

(1) All water-related needs of the states of origin, but not limited to irrigation, municipal and industrial water, flood control, power, navigation, recreation, water quality control, and fish and wildlife preservation and enhancement shall be considered in formulating the plan.

(2) The rights of states to water derived from inter-basin transfers shall be subordinate to needs within the states of origin.

(3) The cost of water development to the states of origin shall not be greater, but may be less, than would have been the case had there never been an export from those states under any such plan.

If we keep these principles in mind, our organization will succeed.

But it will take statesmanship, patience, good nature and luck to bring it off. We seek your continuing support, advice, and forbearance.

ANNEX 7

WESTERN STATES WATER COUNCIL

FINANCIAL STATEMENT

FISCAL YEAR JULY 1, 1966 — JUNE 30, 1967

	Actual	Budget	Over (Under)
FUND BALANCE, JULY 1, 1966	\$ 27,663	\$ 27,663	\$ —
REVENUES:			
Member states' assessments	\$122,331	\$122,337	\$ (6)
Interest earned	1,467	—	1,467
Social security refund from prior years	499	—	499
Total Revenue	\$124,297	\$122,337	\$ 1,960
Total Fund Available	\$151,960	\$150,000	\$ 1,960
EXPENDITURES:			
Professional salaries	\$ 50,595	\$ 58,000	\$ (7,405)
Administrative salaries	10,559	12,000	(1,441)
Payroll taxes		5,600	(5,600)
Equipment and furniture	2,070	5,000	(2,930)
Rent and utilities	3,742	6,000	(2,258)
Printing and reproduction	2,707	4,800	(2,093)
Office supplies and expense	2,081	2,400	(319)
Telephone	1,942	2,400	(458)
Postage	532	900	(368)
Revolving fund		300	(300)
Equipment rental	292)		
Reports, maps, publications	607)	800	359
Auditing	260)		
Contracted services	626	37,000	(36,374)
Travel expense	9,201	12,000	(2,799)
Meetings and arrangements	271	2,800	(2,529)
Total Expenditures	\$ 85,485	\$150,000	\$(64,515)
FUND BALANCE, JUNE 30, 1967	\$ 66,475	\$ —	\$ 66,475

ANNEX 8

WESTERN STATES WATER COUNCIL

FINANCIAL STATEMENT

SIX MONTHS ENDED DECEMBER 31, 1967

(Prepared from the records without audit)

	Actual (to 1/1/68)	FY '68 Budget (1/2 Year)	Over (Under)
REVENUES:			
Carryover from FY '67 _____	\$ 66,475	\$33,238	\$ 33,237
Member states' assessments _____	50,000	27,500	22,500
Interest earned _____	1,397	—	1,397
Refund of U.S. FICA taxes _____	327	—	327
Other _____	40	—	40
Total Funds Available _____	\$118,239	\$60,738	\$ 57,501
EXPENDITURES:			
Administrative salaries _____	\$ 3,749	\$20,500	\$(16,751)
Payroll expense _____		1,250	(1,250)
Equipment and furniture _____	427	750	(323)
Rent and utilities _____	832	3,600	(2,768)
Printing and reproduction _____	235	1,250	(1,015)
Office supplies and stationery _____	418	1,000	(582)
Telephone _____	525	1,000	(475)
Postage _____	175	300	(125)
Travel _____	936	3,850	(2,914)
Audit) _____	440)	150	290
Insurance) _____			
Reports, maps, publications _____	125	300	(175)
Contract services _____	85	20,000	(19,915)
Meetings and arrangements _____	103	250	(147)
Property taxes _____	216		216
Revolving fund _____		7,800	(7,800)
Total Expenditures _____	\$ 8,266	\$62,000	\$(53,734)
Revenue in excess of expenditures	\$109,973	\$(1,262)	\$111,235