725 Broadway • Needles, California 92363 • Phone (760) 326-2110 • FAX (760) 326-2884

December 11, 1999

BH

I would like to strongly support the water storage project proposed by the Cadiz Land Company and the M.W.D.

Although I am a 20 year member of the Needles Utility Board, this recommendation is mine as an individual, as the City has yet to discuss their official position.

Due to over 20 years of study and working in regard to water for the City of Needles, I am a lay-expert on water in this area. I have a large library with information on the Colorado River and the Mojave Desert, and have spent years being involved. My business interests over the years has included Needles, Blythe and the Imperial Valley in California, and Parker, Bullhead City and Lake Havasu City in Arizona. I have served on various committees for the Interior Department in regard to land use and water issues. I served over 20 years on the Needles Unified School District Board, and an area that included the Cadiz area and much of the MWD aquaduct.

I do feel I am somewhat an expert on the issues involved, and I am strongly in favor of the project.

Attached is a document explaining the hugh cost to the City of Needles if California cannot get their use of Colorado River water down to their alloted 4.4 million acre-feet, and therefore lose the use of Surplus Water from the River.

Underground storage in the desert has provern to be a logical system, and is being used in many areas in Arizona. Arizona is presently storing water for Nevada and Las Vegas in underground basins along their C.A.P. Canal, and not unlike the present proposal.

The proposal also includes the selling of some groundwater to M.W.D. in years of drouth. Although this sounds bad to we who lives in the desert, Cadiz Land Company owns this water and it is theirs to sell. They also are at the tail end of a large drainage area, and their sale of water will not take water from any upstream users (of which there are presently none.

Their drainage area is separated from our Piute Drainage area, and no City of Needles water is involved.

There is also a very good reason why Cadiz will never overdraft the basin in selling some water to M.W.D. It is the fact that their basin is adjacient to the Bristol dry lake. This lake is very salty and Leslie Salt Company has long had a plant there that produces much



B4-1

Page 2.

salt to sell. If the Cadiz Land Company pumps too much water and lowers their water table, salt water from Amboy will enter their basin and ruin not only M.W.D.s water, but the water used on their valuable farming lands. They will lose millions in investment if they over pump.

Both M.W.D. and Cadiz Land Company are very knowledgable and first class operations - and they will not ruin their future by over pumping water from their closed water basin.

B4-1

Although myself and the City of Needles have had our arguments in past with the M.W.D. they have helped us in obtaining legal water from the Colorado, and we may need them again is the lining of the All Americal Can eliminates our project to salvage water that is presently leaking. We heed friends like the M.W.D.

Again, I strongly support the proposed project, and know that it will not hurt our environment.

Very truly yours,

W. M. Claypool III

212 H Street

Needles, California 92363

WICLIAM MCCAy 300/ IT Refer to comment
2/2 H St. NEWS B4-1

CITY OF NEEDLES' STAKE IN CALIFORNIA BEING ABLE TO LIVE WITHIN THEIR 4.4 MILLION ACRE-FEET PYEAR FROM THE COLORADO RIVER.

USE OF WATER FROM THE COLORADO RIVER IS LEGALLY DETERMINED BY THE LAW OF THE RIVER. THE LAW MAY NOT MAKE SENSE TO PEOPLE IN NEEDLES, AND IT ISN'T 100% FAIR NOR DOES IT MAKE SENSE - BUT IT IS A VERY IMPORTANT LAW THAT HAS BEEN DEVELOPED OVER YEARS, AND THE SUPREME COURT HAS PUT ITS STAMP UPON IT.

UNDER THIS LAW, CALIFORNIA HAS A RIGHT TO 4.4 MILLION ACRE-FEET PER YEAR FROM THE RIVER, PLUS ONE HALF OF ANY SURPLUS.

EACH GOVERNMENTAL UNIT IN CALIFORNIA IS ALLOTED PART OF THIS 4.4 MILLION, AND IT IS CONTROLLED BY THE COLORADO RIVER BOARD OF CALIFORNIA.

DUE TO LACK OF NEEDED ACTIONS IN YEARS PAST, THE CITY OF NEEDLES WAS ALLOTED ONLY 950 ACRE-FEET OF PRESENT PERFECTED RIGHTS BY THE SUPREME COURT IN CALIFORNIA VS. ARIZONA. AND AT THE TIME THE CITY WAS PUMPING ABOUT 3.500 ACRE-FEET A YEAR.

THE CITY ARGUED THAT THEY WERE PUMPING ONLY GROUND WATER, AND UNDER CALIFORNIA LAW WAS THEIR WATER, AND WE USED CHEMICAL ANALYSIS TO PROVE OUR CASE. THE SUPREME COURT HAD RULED THAT ONCE GROUNDWATER COMINGLES WITH MAINSTREAM WATER THAT IT WAS 100% MAINSTREAM. WHAT THE SUPREME COURT RULES IS LAW - SO THIS MEANS THAT ALL OF THE CITY WELLS ARE PUMPING ONLY LEGALLY MAINSTREAM WATER.

AND AS WE ALL ARE AWARE, THE TIME WILL COME WHEN THE BUREAU OF RECLAMATION WILL BE FORCED TO SHUT DOWN ALL WELLS USING COLORADO RIVER WATER ONCE THEY HAVE USED UP THEIR LEGAL ALLOTMENT FROM THE RIVER.

UNLESS OTHER LEGAL WATER WAS FOUND, THIS MEANS THAT SOMETIME DURING MARCH OF EVERY YEAR THE CITY OF NEEDLES WILL BE OUT OF WATER UNTIL THE END OF THE YEAR. THIS WILL KILL OUR CITY.

ALMOST 10 YEARS WAS SPENT FINDING LEGAL WATER AT A PRICE THE CITY COULD AFFORD. THE FIRST BREAK CAME WITH A SURPLUS WATER CONTRACT WITH THE BUREAU OF RECLAMATION FOR UP TO 10,000 ACRE-FEET, AND AT A COST OF ONLY 25 CENTS PER ACRE-FOOT. SURPLUS WATER HAS BEEN AVAILABLE AS THE UPPER STATES HAVE NOT BEEN USING THEIR FULL ALLOTMENT, AND THIS WILL CONTINUE FOR SOMETIME IN THE FUTURE.

THE SECOND SOURCE OF LEGAL WATER WAS A PROPOSAL DEVELOPED BY THE M.W.D., THE COLORADORIVER BOARD OF CALIFORNIA, THE BUREAU OF RECLAMATION AND CONGRESSMEN JERRY LEWIS. IT IS A SOMEWHAT COMPLICATED SYSTEM OF RECOVERY OF COLORADORIVER WATER THAT HAS LEAKED OUT OF THE UNLINED ALL AMERICAN CANAL AS IT PASSES THROUGH IMPERIAL VALLEY.

THE PROGRAM CONSISTS OF:

- 1. THE BUREAU OF RECLAMATION HAS DRILLED WELLS ADJACENT TO THE ALL AMERICAN CANAL, AND ARE ON STAND BY FOR PUMPING RECLAIMED WATER FROM THE UNDERGROUND WHEN NEEDED BY THE CITY OF NEEDLES. THIS WATER WILL BE PUT BACK INTO THE CANAL. THIS IS "NEW" WATER AS IT HAS ALREADY BEEN CHARGED AGAINST CALIFORNIA'S 4.4 MILLION ALLOTMENT.
- 2. THE COACHELLA VALLEY WATER DISTRICT (CVWD) HAS, IN TURN, AGREED TO ACCEPT THIS RECLAIMED WATER AS PART OF THEIR ALLOTMENT FROM THE COLORADO RIVER.
- 3. THE CITY OF NEEDLES, IN TURN, IS ALLOWED TO PUMP THIS AMOUNT OF WATER VIA THEIR WELLS OF COLORADO RIVER WATER.

4. THE COST TO THE CITY IS THE COST OF OPERATING THE PROJECT, AND IT IS ESTIMATED TO E APROX. \$40.00 PER ACRE-FOOT. THIS IS COMPARED TO THE COST OF \$200 TO \$400 PER ACRE-FOOT PAID BY THE MEMBERS OF M.W.D.

CALIFORNIA'S SHARE OF SURPLUS WATER

THE SUPREME COURT GAVE CALIFORNIA 4.4 MILLION ACRE-FEET OF COLORADO RIVER WATER PLUS HALF OF THE SURPLUS. THE STATE, HOWEVER, HAS BEEN USING AT LEAST 4.8 MILLION ACRE-FEET.

NOW THAT THE UPPER BASIN STATES ARE USING MORE, AND THE C.A.P. PROJECT HAS ENABLED ARIZON TO USE THEIR FULL 2.8 MILLION ACRE-FEET, AND FAST GROWING LAS VEGAS IS USING THEIR FULL 300,000 ACRE-FEET, CALIFORNIA IS BEING FORCED TO GET BACK TO THEIR LEGAL 4.4 MILLION ACRE-FEET.

TO FORCE CALIFORNIA TO DO SO, INTERIOR SECRETARY BRUCE BABBITT HAS RULED THAT UNLESS CALIFORNIA GETS WITHIN THEIR 4.4 MILLION ALLOTMENT, HE WILL TAKE AWAY THEIR SURPLUS WATER RIGHT AND HE HAS THE LEGAL RIGHT TO DO THIS.

THE PROPOSED CADIZ/MWD PROJECT IS A MAJOR STEP TOWARD CALIFORNIA GETTING WITHIN THEIR 4.4 MILLION ACRE-FEET LIMITATION.

COST OF LOSS OF SURPLUS WATER

IF CALIFORNIA CANNOT LIVE WITHIN THIS 4.4 MILLION ACRE-FEET THE CITY OF NEEDLES WILL LOSE OU SURPLUS WATER, AND WE WILL HAVE TO REPLACE THIS WATER WITH WATER FORM THE ALL AMERICAN CANAI PROJECT. IF THIS HAPPENS OUR COST WILL BE:

3,000 ACRE-FEET AT \$40.00

120.000.00

3,000 ACRE-FEET AT 25 CENTS

-750.00

ADDED COST PER YEAR

119,250.00

THE CITY OF NEEDLES IS PRESENTLY HAVING FINANCIAL PROBLEMS, AND THIS ADDED \$119,250.00 PER YEAR COULD BE THE STRAW THAT BREAKS THE CAMEL'S BACK. AND IF WE ARE NOT ABLE TO PAY THE \$119,250.00 THE BUREAU WILL BE FORCED TO SHUT DOWN OUR WELLS, AND NEEDLES WILL BE DEAD.