

division reserve funds required to be maintained by our 1952 repayment contract, water rentals and other miscellaneous sources of income. For the period January 1 to August 31, 1967, the district had received a total income from these sources of \$149,705.46.

In addition, the district has received \$23,632.26 through August 31, 1967, for the operating and maintenance of the third division. Further, the district receives income from work accomplished for water users on the project and for soil and moisture conservation work on Five Mile and Muddy Creek areas. The total costs of operating and maintaining the Midvale Irrigation District, the third division, and performing the other miscellaneous services will run approximately \$250,000 per year.

On March 21, 1966, Midvale Irrigation District contracted with the Bureau of Reclamation for the performance of operation and maintenance work on the third division, and the Cottonwood Bench area for the calendar year 1966. Midvale received from the Bureau the sum of \$26,895.91 by virtue of this contract. In 1967 Midvale continued to operate and maintain the third division and Cottonwood Bench and through August 31, 1967 had received from the Bureau for this service the sum of \$23,532.26.

Midvale has received a total of \$50,428.17 for the operation and maintenance work performed on third division and Cottonwood Bench. This additional activity has been very beneficial to Midvale. The district increased its staff by only one part-time office girl and two additional ditch riders. Midvale was able to absorb this increased workload with the same water master, manager and foreman.

In fact, the additional workload allowed the district to employ their machinery and equipment and existing personnel on a more efficient basis. Our operating and maintenance contract with the Bureau of Reclamation for third division and Cottonwood Bench along with the soil and moisture conservation work done for the Bureau on Muddy Creek and Five Mile greatly assist the district in maintaining qualified personnel throughout the year and allows the district to maintain its machinery and equipment on good working order.

A major feature of this legislation calls for the Midvale Irrigation District to be the one district on the entire Riverton project handling the operation and maintenance. We believe that the operation and maintenance activities of Midvale and third division should be combined. As we have stated before, Midvale has the management, office personnel, field force and equipment to do the required work on the entire Riverton project. Our experience in handling the operating and maintenance work on third division for two seasons has demonstrated our ability to perform these combined activities. Incidentally, the operating and maintenance work on third division in 1966 was done at a cost to the Bureau of \$26,895.91 which was considerably less than the \$32,500, which was the amount estimated by the Bureau for this work.

In the past 2 years, I have become acquainted with the third division irrigation system. It is my opinion that these lands are equipped with excellent irrigation canals, laterals and drains. The system is presently workable without a rehabilitation program. The cost of operation and