

The letter from Mr. Mitchell will be made a part of the record following your testimony.

(The letter of Mr. Mitchell follows:)

STATE OF INDIANA,
DEPARTMENT OF NATURAL RESOURCES,
Indianapolis, April 15, 1968.

MR. HOWARD MENDENHALL,
*Executive Vice President,
Wabash Valley Association, Inc.,
Mount Carmel, Ill.*

DEAR HOWARD: Thank you for your letter of March 14, 1968 concerning the proposed Big Walnut project. We certainly appreciate your efforts on behalf of this much needed facility. I thought you might wish to be appraised of the State's current position on this matter.

The Big Walnut Reservoir project has been under intensive study by the Corps of Engineers and the State of Indiana for several years. Included in these studies have been extensive evaluations of alternative sites to see if reasonable alternatives exist.

Of the numerous alternatives studied, the only site which afforded a reasonably comparable degree of project benefits (flood control, water supply, recreation, fish and wildlife enhancement and low flow augmentation) was a site downstream from Greencastle known as the "Reelsville" site. The "Reelsville" site would involve an estimated first cost of \$50 million, as compared to \$36.6 million for the proposed Big Walnut site. As you can see, this is \$13.4 million higher in estimated first cost. The continuing higher annual costs for transporting water to the point of need because of the longer transmission distance involved is not reflected in this figure.

The principal opposition to this project comes from conservationists and others concerned with the preservation of an unusual natural area north of U.S. 36. Extensive supplemental studies have been conducted by the Corps to evaluate the area and the possibilities of protecting it. As a result of these studies the Corps has modified its original proposal to incorporate the area into a nature study area consisting of protecting fences, nature, trails, museums and the like.

