

NOTICE

OF THE

ANNUAL MEETING OF THE STOCK-
HOLDERS OF THE

TIETON WATER USERS ASSOCIATION

(A Corporation Under the Laws of the State
of Washington)

AND THE

Annual Election of Trustees for said Association

NOTICE IS HEREBY GIVEN:

First—The annual meeting of the stockholders of the Tieton Water Users Association, a corporation organized under the laws of the State of Washington, and the annual election of Trustees for said corporation, will be held in the Yakima Commercial Club rooms, Masonic Temple, Yakima, Washington, being the place heretofore designated by the Trustees, on the third Monday of November, 1918, to-wit, the 18th day of November, 1918, at the hour of 1:30 o'clock in the afternoon; and that at said meeting there will be an election of two Trustees of said association to serve a term of three (3) years; and

Second—That at said meeting there will be transacted such other business as may properly come before the stockholders of said corporation.

Dated at Yakima, Washington, this 24th day of October, 1918.

R. H. HAYDEN,
Secretary Tieton Water Users Assn.

N. B.—No proxies will be permitted.

Twelfth Annual Report
of the
Tieton Water Users Association
Year 1918

(October 1, 1917 to September 30, 1918)

Officers For the Year

H. M. Gilbert—President. W. I. Huxtable—Trustee.
W. L. Lemon—Vice-Pres. Dan H. Williams—Trustee.
R. H. Hayden—Secretary. John D. Griffith—Trustee.
J. A. Loudon—Treasurer. R. B. Williamson—Attorney

Statement by the Secretary

To the Stockholders, Greetings:

Herewith is submitted for your information the Twelfth Annual Report of the Association.

Year's Activities

Only two water right applications were accepted during the year, covering 50 acres of irrigable land. This is the first year since the project was opened that all applications made were not accepted. This action was taken so that present applicants might have full use of the water supply available. Collections for the United States were increased to \$100,000.00 and the Association collections were increased to \$3,000.00. Additional water for the project was secured through the Irrigation District plan by providing for the increase of the carrying capacity of the main canal and limiting the total area to be served to 32,000 acres. Considerable work was also done for the Irrigation District.

Unapplied Lands

To limit the project area to 32,000 acres, the Reclamation Service considered first the requests of those under water right application and, second, the lands on which no application had been received. In each case reduction was made when the land in question was considered not suitable for cultivation. Now about all the second class lands have been excluded, leaving us in the main with only first class land. Under the present plan there are still about 1800 acres which have not made water right application, owned mostly by non-residents who can not make application. This land is subject to three 5% penalties, adding \$13.95 to the water right cost per acre. If water is available a large portion of this land will, no doubt, change hands and application will be made during the coming year.

Main Canal Improvement

During the last few years, after the irrigation season, the Service has been increasing the carrying capacity of the main canal by raising the sides thereof. The canal is ten miles long and is constructed of concrete. The work done has been on the upper five miles and the present year's work is to complete the remaining five miles. Funds for the improvement were voted for through the Irrigation District and work began the

latter part of September. Shortage of labor is delaying the progress expected, but the Service is making every effort to complete the work this Fall before eastern water is distributed.

Lateral Maintenance

For this Fall the Service had planned to give the lateral system a thorough cleaning, but sufficient labor to do the work can not be secured. When we asked the Service to maintain the small laterals, we specified that they employ the project water user when procurable to do the work. While you are affected by the same labor shortage and are fully employed at this time of the year, it would be to your interest, and that of your neighbors, to plan to put in a day or so at this important work. Better water service and less friction are both secured when the laterals are carefully cleaned. See your patrolman; tell him you will clean your own lateral, and as much more as possible, and arrange with him for payment of your time. There may be more water available for next season's use. Let us get ready for it.

Tieton Water Storage

Work on the big Tieton dam was discontinued in July on account of the greater need for the labor and material in war work. When this action was determined, orders were given at once to complete the Clear Creek dam, so that our project would be assured a continuous water supply. The Clear Creek dam is built of concrete and in the single arch type. This year twenty-one feet more in height was added to the work previously done and a concrete spillway constructed. The additional water thus secured this year no doubt would pay for the cost of the work, as there was little snow in the water shed and there would have been a shortage of water in the Tieton River the latter part of the season.

Office Moved

In the Federal Building we are using one of the offices set aside for the Reclamation Service. As they desired to use room No. 311, the room we have occupied for the past three years, we moved to room No. 306, same floor. When you call this Fall, stop at room No. 306, instead of going to the end of the hall.

Irrigation District

As was reported last year, the Yakima-Tieton Irrigation District was organized under date of July 16, 1917, by order of the County Commissioners pursuant to an election held upon the project on July 7, 1917 for that purpose. The original purpose of the organization of the District was the making of a contract with the United States relative to the assumption by the district of construction charges owing from the district lands to the United States, thus relieving the lands of the first mortgage lien of both the government water right application and the stock subscription and contract between the land owner and this Association. After investigating, the Board of Trustees recommended to the water users the adoption of such a contract and policy for various reasons named in their recommendation, the chief of which was the enabling of the farmer to secure loans from the Federal Farm Loan Bank. The last annual meeting, in considering the matter, appointed a committee of nine named by the meeting to further investigate and examine into the terms of the contract proposed between the United States and the District.

This committee, acting entirely independently of both the board of directors and the government, reported adversely to entering into such a contract. The committee, and attorneys consulted by it, advised that such a contract would waive any rights which the land owner might have to sue the United States in case of failure to deliver sufficient water for the irrigation of the acreage within the Tieton Project, stating that such right of action was a very valuable asset and should be preserved. While the Board of Directors were, and still are, convinced that the best interests of the project would be subserved by the plan they then recommended, nevertheless, in view of the report of the committee, they cancelled the election called for the purpose of submitting the question of the contract to the electors of the district.

The purpose of the Directors in so acting was to enable the land owners to advise themselves of the full facts when they would be better able to act intelligently upon a question so vitally affecting their interests, and upon which there seemed to be a decided difference of opinion.

Subsequently, however, and independent of the Board of Directors the United States Reclamation Service, by circular letter and referendum vote, submitted direct to the water users several propositions looking toward the increase of the supply of water for the year 1919. The vote upon this referendum was almost unanimous that an additional supply should be furnished at an increased cost to the land owner and the supply so increased should be more effective by reducing the acreage within the project to be served, the reduced area to bear the total cost of the construction charge of the project. Upon this showing, the Board of Directors submitted to the electors at a regularly called election, the question of whether or not the district should assume a liability of \$11.63 per acre in addition to the original \$93.00 per acre construction charge, said moneys to be used for the increasing of the capacity of the main canal and other betterments, and of absorbing the deficit in the construction cost created by the elimination of 2,500 acres from the project as originally constituted. At this election, by a vote of 151 to 84, such a contract was authorized, and under date of August 7, 1918, this contract was executed by the Government.

There has been some confusion among the land owners seeking to get farm loans because of the fact that, altho they know the irrigation district has been organized and a contract made with the United States, they are still unable to obtain farm loans upon the project. It must be understood, however, that the contract for the assumption of \$93.00 per acre indebtedness of district lands to the United States, or such part thereof as has not been paid, has not been entered into by the district, and that it is the lien of the water right application for this amount that precludes the possibility of Federal farm loans upon the Tieton Project.

The present status of the irrigation district is then, that the district has assumed and will charge to 32,000 acres of land \$11.63 per acre, payable in four equal semi-annual installments, beginning January 15, 1936, without interest, and that the original charge of \$93.00 per acre against the said 32,000 acres remains in status quo. This \$93.00 per acre is a first mortgage lien against the lands and will remain so unless an additional contract is made between the United States and the district whereby the district will assume this obligation and relieve the land of the direct lien.

The 1918 Crop

This year armed guards were not employed at the storage reservoirs or on the main canal. There was no extended hot spell in the summer and there was some rain during July. More water was carried in the main canal than previously. Our only trouble was the general shortage of labor, but by one means or another a bumper crop has been planted and is being harvested. The call of the government for more food has been well answered and the crop returns are now estimated at over \$2,000,000.00.

The Future

During the year some 3,000 acres of Tieton land has changed ownership and in most cases it is now owned by parties who will develop the land and make their homes on it. This is what we need for project and community growth. Another encouraging sign is shown by the man on the project who, while working his own land, is increasing his holdings where possible. The valley as a whole is destined for rapid growth following the war and plans are now being prepared to handle the expected development. These plans cover the purchase, irrigation and improvement of the land, so that the settler will be relieved, to a large extent, of the financial worries that have beset the Tieton. For the farm owner prospects are good for next year, for even if the war ends this year there will be a strong demand for all food crops and we should plan to better this year's crop record, if we can. The government asks and expects us to go the limit to produce more food. Increased food production fills a double purpose, i. e., assists our government to extend life and freedom to other nations, and secures additional cash returns for yourself and the community. A number of our men have left the project to take up arms, some are already in France. While they are fighting our battles let us do our utmost to support them by producing food, buying bonds and standing loyally by them in thought and deed.

Be It Remembered

Now don't forget about the annual meeting on November 18th; this is your meeting. The terms of Mr. Griffith and Mr. Lemon as Trustees will expire. Mr. Lemon is now in army service and will not be here for reelection. He was first elected in 1909 and has been an active, conscientious member of the Board since, and has devoted considerable time and thought to the betterment of the project. The present Trustees will miss his timely advice and support.

The Washington Irrigation Institute has extended an invitation to attend their meetings on December 17 and 18. No admission is charged and the problems of the irrigation farmer are discussed by the best men in their lines. It will pay you to attend.

Respectfully submitted,

R. H. HAYDEN, Secretary.

Land Report

A share of stock subscribed represents an irrigable acre in the Project as determined by the Reclamation Service surveys. Total number of shares allowed by our charter, subject to an agreement with the United States dated August 7, 1918, 32,000.

Approved by U. S.	Irrigable	Applied	Unapplied
Private owned land ..	27,702.17	26,477.57	1,224.60
Public (homesteads) ..	2,051.83	2,036.53	15.30
State (school)	2,016.00	1,608.60	637.40
Railroad	230.00		
Total lands	32,000.00	30,122.70	1,877.30

Cost of Project

Construction of canals, laterals and storage, total cost	\$3,219,594.02	
Repayments to date	382,641.48	
Balance		\$2,836,952.54
Operation and maintenance total cost	\$ 283,123.69	
Repayments to date	232,984.78	
Balance		\$ 50,138.91

Collection Agent's Report

Collections made and transmitted to the Reclamation Service for year ending September 30, 1918:

Items	To Collect	Collected	Uncollect'd
Construction			
Due Dec. 1, '14....	78.93	78.93	
Due Dec. 1, '15....	217.41	197.61	19.80
Due Dec. 1, '16....	12,999.13	12,355.20	643.93
Due Dec. 1, '17....	50,498.34	36,150.40	14,347.94
Due Dec. 1, '18, '19	218.42	218.42	
10-year accounts ..	1,898.10	138.00	1,760.10
Total Constr'n ...	\$ 65,910.33	\$ 49,138.56	\$16,771.77
Maintenance			
For season 1915..	5,463.95	5,161.07	302.88
For season 1916..	12,224.29	4,773.60	7,450.69
For season 1917..	50,726.26	36,759.12	13,967.14
Discount allowed..	1,582.64		
10-year accounts ..	210.45		210.45
Total Maintenance	\$ 68,624.95	\$ 46,693.79	\$21,931.16
Summary			
Total Const.	65,910.33	49,138.56	16,771.77
Total Maint.	68,624.95	46,693.79	21,931.16
Penalties, Const...	2,279.49	2,279.49	
Penalties Maint. ..	1,607.99	1,607.99	
Water Rental	398.50	398.50	
Storage Rental ..	450.00	450.00	
Special Boxes	284.50	284.50	
Grazing Lease ...	86.77	86.77	
Grand Totals	\$139,642.53	\$100,939.60	\$38,702.93

The above accounts have been audited by the Reclamation Service and found correct.

R. H. HAYDEN,

Oct. 5, 1918

Collection Agent.

Association Financial Statement

Assets

Unpaid Association levies	\$2,030.09	
Time deposits, with Treas	560.80	
Bal. on Naches-Cowiche suit	31.26	
Tieton District warrants	432.06	
Office furniture and equipment..	225.00	
Cash in bank	442.37	\$3,721.58

Liabilities

September unpaid bills	\$ 232.50	
Uncollected assessments	2,061.35	
Unexpended balance, surplus.....	1,427.73	\$3,721.58

Treasurer's Report

Receipts

Cash Deposited	\$2,984.89	
Time Deposits Used	1,020.00	
Interest on Same	20.80	
Balance Oct. 1, 1917	371.24	\$4,396.93

Disbursements

Warrants Paid	\$3,945.56	
Bal. Sept. 30, 1918	451.37	\$4,396.93

Time certificates on deposit \$ 560.80

The above is a correct statement of account.

J. A. LOUDON,

Dated October 7, 1918.

Treasurer.

Secretary's Report

Receipts

Balance Oct. 1, 1917	\$ 375.62	
Collected (detail below).....	2,980.51	
Time Deposits Used	1,040.80	\$4,396.93

Disbursements

Warrants drawn (detail below)..	\$3,954.56	
Cash in bank	\$451.37	
Warrants not cashed..	9.00	442.37
		\$4,396.93

Collections, Detail Summary

Association assessments	\$2,814.54	
Naches-Cowiche assessment	3.87	
Fee on application	1.50	
Interest on assessments	160.60	\$2,980.51

Warrants Drawn, Detail Summary

Trustees, 15 meetings	\$ 310.00	
Legal Services	900.00	
Secretary's Services	1,500.00	
Stenographic services	426.00	
Tieton District warrants	432.06	
Telephone service	42.25	
Office Supplies	12.00	
Assessment Refund	2.50	
Bonds of Trustees and Secy.....	103.75	
Postage and P. O. Box	122.35	
Printing and advertising	72.15	
Fair Exhibit expense	15.00	
Auditing accounts	4.50	
Abstract Reports	12.00	\$3,954.56

The above accounts have been considered separately by the Trustees; and the totals are correct.

R. H. HAYDEN,

Oct. 8, 1918

Secretary.