

Law Offices
ALBIN ANDERSON
Grand Junction, Colorado
81501

303 243-3449
640 Grand Avenue

March 22, 1974

L. AUBERT	<input checked="" type="checkbox"/>
E. LAMM	<input checked="" type="checkbox"/>
J. WADLOW	<input checked="" type="checkbox"/>

The Honorable Teno Roncalio
Congressman from Wyoming
House of Representatives
Washington, D. C. 20515

Re: Mesa County Sanitation System

Dear Mr. Roncalio:

The Rocky Mountain News of March 1, 1974, reports that you were promoting legislation to establish a special fund to help communities affected by rapid population growth from oil shale development.

The news item reports that you propose to increase the amount of royalties by changing the formula from a percentage of the tonnage mined to a percentage of the market value of the oil at the time it is produced.

It also reports your proposal that "ten per cent of the revenue from oil shale rentals, bonuses and royalties will be paid into the special impact aid fund."

Grand Junction, in Mesa County, is gaining a reputation as the capitol of the energy regions of the West because it has a jet airport and is the largest city between Denver and Salt Lake City.

The Commissioners of Mesa County have authorized a group of citizens to proceed with the authority of the Commissioners and in their name to construct and operate a sewer system in the areas in Mesa County not now served by city or town sewers. A preliminary estimate by our engineers indicate that approximately \$25 million will be required to provide satisfactory modern sewers for this area. The way prices are climbing, this figure is a conservative one. Funds for this project, as well as for other projects in Colorado, Utah and Wyoming to help meet community needs which have been exaggerated by the sudden oil shale development activities, can easily come from the federal government's share of the bonus payments made by the oil companies on the first three leases. The share of these bonuses for the federal government is in excess of \$225 million.

The Honorable Teno Roncalio
Re: Mesa County Sanitation System
Page 2

We hope your legislation will provide for allocation of the funds directly from Washington to the communities in need of assistance to cope with the impact on their community facilities caused by the oil shale development. This direct channelling of money from Washington to the local communities will avoid commingling of those funds with the 37 1/2 per cent of the bonus moneys which the states receive from these oil shale leases.

As you know, there is a note of urgency attached to providing community facilities before a crisis develops. It will probably take 18 months to apply for planning moneys, using the planning moneys, applying for construction grants, securing the grants and getting construction completed to the point where a ceremony can be had when the first toilet is flushed.

Your assistance in substituting action for so much talk that we have nowadays, will be deeply appreciated.

Very truly yours,

MESA COUNTY SANITATION SYSTEM

by Albin Anderson
its attorney

AA/s

xc: Members of Ad Hoc Committee
William E. Foster, Co-counsel
Mr. Ted Ford, Budget Officer
Hon. James P. Johnson
Hon. Peter H. Dominick
Hon. Floyd K. Haskell