





Daniel P. Beard, 1993

**ORAL HISTORY INTERVIEWS  
DANIEL (DAN) P. BEARD**

**Expanded Second Edition, 2009**



**1993-1997**



**STATUS OF INTERVIEWS:  
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Interviews Conducted and Edited by:  
Brit Allan Storey,  
Senior Historian,  
Bureau of Reclamation



Oral History Program  
Bureau of Reclamation

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## Table of Contents

Table of Contents .....	i
Statement of Donation .....	vii
Introduction .....	ix
Oral History Interviews .....	1
Early Years and Education .....	1
College Education .....	2
Works for Urban Renewal Division of the City of Seattle, 1966-1967 .....	3
Goes to Graduate School–1967 .....	4
Works for Environmental Policy Division of the Legislative Reference Service in the Library of Congress .....	6
Teaches at Dartmouth College, 1972-1973 .....	8
Returns to Congressional Research Service in Library of Congress, 1973-1974 .....	8
Works for Congressman Sidney R. Yates on the House Interior and Related Agencies Appropriations Subcommittee, 1975-1976 .....	9
Invited to Join President Jimmy Carter’s Interior Transition Team, 1976-1977 .....	10
Becomes Assistant Director of Domestic Policy Staff at the White House, 1977 .....	10
Becomes Deputy Assistant Secretary of the Interior for Land and Water Resources, 1977-1980 .....	11
Executive Director, Renewable Natural Resources Foundation, 1981 .....	14
Starts Own Business, 1981-1982 .....	14
Administrative Assistant to Senator Max Baucus, 1982-1984 .....	14
Goes to Work for Chambers and Associates, 1984-1985 .....	15
Becomes Staff Director of House Interior Subcommittee on Water and Power–1985-1990 .....	15
Staff Director of House Interior Committee, 1991-1993 .....	17
Seeks Appointment as Commissioner of Bureau of Reclamation, 1992-1993 .....	18
Nominated to Serve as Commissioner of Bureau of Reclamation, 1993 .....	20
Works for Congressman Sydney Yates .....	26
Geography as a Discipline .....	29
“Hit List” in Jimmy Carter Administration .....	31
Becomes Deputy Assistant Secretary of the Interior .....	36
Reorganization of the Bureau of Reclamation .....	43
House Interior Subcommittee on Water and Power .....	46
The Reclamation Reform Act .....	54
Changes That Should Be Made in Reclamation .....	58
Transitioning from a Construction Agency to a Water Resources Management Agency .....	60
Obtaining Input into Reorganization .....	60
Commissioner’s Program Organization Review Team .....	60

Reclamation Employees Organization for Ethics and Integrity .....	61
National Performance Review and Reorganization of Reclamation .....	63
Vision for Reclamation's Future .....	64
New Constituencies for Reclamation .....	69
Future Prospects for Reclamation .....	70
Reclamation and Recreation .....	70
A New Seal for Reclamation .....	71
Reclamation and the Public Interest .....	73
Characteristics of Bureaucracies .....	75
Role of the Press .....	81
Getting The Hill to Buy into Reclamation's Reorganization .....	83
Personal and Personnel Issues in Reorganization .....	84
Deciding What to Become Involved in .....	86
Communicating with Reclamation's Employees .....	87
Reorganization Problems and Issues .....	90
Comment on Employees' Belief That He Wishes to "Destroy" Reclamation .....	92
How Technology and Education Make Simplification of the Bureau's Organization Chart Possible .....	95
Area Managers, Regional Directors, and the Commissioner's Areas of Responsibility .....	96
Reorganization and the National Performance Review .....	99
Hoover Visitors' Center .....	101
Wastewater Reclamation and Reuse .....	102
International Activities .....	104
Reflects on Changes in Reclamation since Becoming Commissioner in 1993 .....	106
Effects of the November 1994 Election .....	108
Reclamation's International Program .....	113
Expertise in Reclamation must Change Based on Our Future Mission .....	117
Water Spreading .....	121
Rego II-Second Phase of Reorganization .....	134
Downsizing of Staff .....	136
New Responsibilities for Reclamation .....	137
Facilities Transfer Issues in Reclamation .....	139
Reclamation Projects Don't Repay Costs .....	140
Reclamation Construction Program Is Complete .....	141
Regulations for Implementation of the Reclamation Reform Act .....	142
How the Reorganization Is Going .....	145
Role of the Regions .....	146
Water Spreading .....	149
Water Conservation .....	152
Reclamation Is Made up of Several Diverse Systems .....	161
Central Valley Project .....	163
Reclamation Staff Generally Stand up to Pressure While Politicians Do Not .....	166
Relationship to George Miller .....	167
Central Arizona Project .....	167

Colorado River Appropriation .....	170
Native American Water Claims .....	171
Central Utah Project .....	174
The Future of Reclamation .....	177
Hydroelectric Generation .....	177
Why Political Appointees Leave .....	180
Government as Participatory Democracy .....	182
Why Chose to Leave Reclamation .....	183
Where His Supporters Are .....	186
Developing Independence in Reclamation .....	188
Successes and Failures in Reorganization .....	192
The International Program .....	194
Plans after Leaving Reclamation .....	195
Seeking Nomination as Commissioner of the Bureau of Reclamation .....	196
Oral History Interview at University of California, Berkeley .....	200
Reclamation Is Several Entities .....	200
Animas-La Plata Project .....	201
Central Arizona Project .....	203
Water Conservation .....	204
Title Transfer .....	205
How Western Water Law Will Evolve .....	207
“What Was Your Greatest Accomplishment?” .....	208
Eluid Martinez .....	209
Founds Freshman-Beard Incorporated in 1995 .....	211
Decided He Didn’t Want to Do That Kind of Work .....	211
Regional Vice President of the National Audubon Society in the Rocky Mountain Region .....	211
Not Using Full Talents and There Was a Lot of Travel .....	212
Senior Vice President for Public Policy at the Audubon Society in Washington, D.C. ....	212
Manages Washington Office of the Audubon Society as Well as Lobbying and Public Policy .....	212
One Issue of Interest to the Audubon Society Is the Garrison Project in North Dakota .....	213
“... being the Commissioner of the Bureau of Reclamation ... it’s an awful lot like trying to take a drink of water out of a fire hydrant. ...” .....	213
Would Have Liked to Do More but Is Proud of What Was Accomplished at Reclamation .....	214
Audubon Society Doesn’t Have Much Relationship to Reclamation .....	214
Works on Issues All over the United States .....	214
Beard on Removing Glen Canyon Dam .....	215
House Committees Decided to Have Hearings on the Issue of Glen Canyon Dam .....	216
“I think that it was a <i>genuine</i> blunder on the part of the committee. They took an issue that was buried on page eighty-four of the classified ads, and they promptly put it up on page one. ...” .....	216
Asked to Do an Op-ed Piece in the <i>New York Times</i> on the Issue of Glen Canyon Dam .....	216

Interviewed for the Television Serialization of <i>Cadillac Desert</i> . . . . .	217
Became Interested in People’s Perceptions as Opposed to the Reality of What He Was Trying to Accomplish . . . . .	217
Developed a Float Trip down the Colorado River Modeled on John McPhee’s Encounters with the Archdruid . . . . .	218
Filming for <i>Cadillac Desert</i> During the Float Trip . . . . .	219
Farrell Secakuku, Chairman of the Hopi Tribe, Was on the Float Trip . . . . .	220
The <i>Cadillac Desert</i> Television Serialization Highlights the Differences Between Beard and Dominy . . . . .	220
“ . . . the Willow Flycatcher . . . sort of demonstrated to me that some of the people didn’t get the message, that if you sit and let issues transpire without getting in and trying to shape those issues, you will . . . look like <i>fools</i> on this issue. They let other people characterize the debate . . . they made management decisions and operational decisions which they probably <i>shouldn’t</i> have made in that way. . . .” . . . . .	221
Activism in the Audubon Society . . . . .	222
Education . . . . .	222
Public Policy Advocacy . . . . .	222
Different Chapters Guide the Audubon Society in Varying Foci . . . . .	222
“We’ve been very active for a long time in the Platte River, and protecting habitat for Whooping Cranes and Sandhill Cranes in Nebraska. . . .” . . . . .	223
Dissension in the Organization about Direction . . . . .	223
“I think that I underestimated a great deal the sense of the momentum, the ability of the changes . . . to maintain the momentum . . . I really felt . . . there was a sense of inevitability to what it is we had started. . . . but I think that I have been surprised at the quickness that some people have lapsed back into their old habits. . . .” . . . . .	225
Reclamation Downsized Itself and Other Agencies Later Had to Do it When They Couldn’t Guide the Process to a Beneficial Result . . . . .	225
Spoke to the Western Water Policy Review Commission . . . . .	226
The Nature of the Electricity Industry Has Changed . . . . .	227
“The water business <i>is</i> going to change, whether people like it or not, and particularly the Federal Government’s involvement in water is going to change. It <i>has</i> changed <i>remarkably</i> in the last twenty years, and it’s going to change even more remarkably in the next twenty years. . . .” . . . . .	227
The Issue of Water Subsidies in Western Water . . . . .	228
“ . . . we lack an intellectual underpinning for <i>why</i> the Federal Government is involved in the Western water issues at all. . . .” . . . . .	228
“Why on <i>earth</i> do we give water, our most valuable resource, to people for free? . . . Well, it doesn’t take a genius to figure out that if you give somebody something for <i>free</i> . . . they’re <i>not</i> going to be careful with it, because it’s a free commodity. . . .” . . . . .	229
Surface and Ground Water must Be Seen as Part of the Total Hydrologic Cycle . . . . .	229
Instream Uses . . . . .	230
Restoration of Environmental Systems Impacted by Water Development . . . . .	230



- “ . . . we’re spending an *incredible* amount of money to *try* to restore environmental systems that were negatively impacted . . . ” . . . . . 231
- “ . . . I *continue* to be *appalled* at the *lack* of innovation and creativity associated with the water business throughout the world. We still address issues today the same way that we addressed them in the fourteenth century. . . . ” . . . . . 231


Appended materials including: speech at the International Commission on Irrigation and Drainage, Varna Bulgaria, 1994; remarks at National Audubon Society Annual Meeting in 1995; documents related to resignation; various job changes after leaving Reclamation; and press release announcing appointment as Chief Administrative Officer of the U.S. House of Representatives . . . . . 239

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**STATEMENT OF DONATION  
OF ORAL HISTORY INTERVIEWS OF  
DANIEL P. BEARD**

1. In accordance with the provisions of Chapter 21 of Title 44, United States Code, and subject to the terms, conditions, and restrictions set forth in this instrument, I, Daniel P. Beard, (hereinafter referred to as "the Donor"), do hereby give, donate, and convey to the National Archives and Records Administration (hereinafter referred to as "the National Archives"), acting for and on behalf of the United States of America, all of my rights and title to, and interest in the information and responses (hereinafter referred to as "the Donated Materials") provided during the interviews conducted on August 23, September 7, and October 7, 1993; April 25 and November 21, 1994; April 4, July 5, and September 8, 1995; and October 28, 1997, at the Main Interior Building in Washington, D.C., and prepared for deposit with the National Archives and Records Administration in the following format: cassette tapes and transcripts. This donation includes, but is not limited to, all copyright interests I now possess in the Donated Materials.
2. Title to the Donated Materials passes to the Bureau of Reclamation until acceptance of the Donated Materials by the Archivist of the United States. The Archivist shall accept by signing below.
3.
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5. The Archivist may dispose of Donated Materials at any time after title passes to the National Archives.

Date: 12/31/97

Signed:   
Daniel P. Beard

INTERVIEWER: \_\_\_\_\_  
Brit Allan Storey

Having determined that the materials donated above by Daniel P. Beard are appropriate for preservation as evidence of the United States Government's organization, functions, policies, decisions, procedures, and transactions, and considering it to be in the public interest to accept these materials for deposit with the National Archives and Records Administration, I accept this gift on behalf of the United States of America, subject to the terms, conditions, and restrictions set forth in the above instrument.

Date: \_\_\_\_\_

Signed: \_\_\_\_\_  
Archivist of the United States

## Introduction

In 1988 Reclamation hired a historian to create a history program and work in the cultural resources management program of the agency. Though headquartered in Denver, the history program was developed as a bureau-wide program.

Over the years, the history program has developed and enlarged, and one component of Reclamation's history program is its oral history activity. The primary objectives of Reclamation's oral history activities are: preservation of historical data not normally available through Reclamation records (supplementing already available data on the whole range of Reclamation's history); and making the preserved data available to researchers inside and outside Reclamation. It is also hoped that the oral history activity may result in at least one publication sometime after 2000.

The senior historian of the Bureau of Reclamation developed and directs the oral history activity, and questions, comments, and suggestions may be addressed to the senior historian.

Brit Allan Storey  
Senior Historian  
Office of Water, Land, and Cultural Resources (D-5300)  
Program Analysis Office  
Bureau of Reclamation  
P. O. Box 25007  
Denver, Colorado 80225-0007  
(303) 236-1061 ext. 241  
FAX: (303) 236-0890  
E-mail: [bstorey@do.usbr.gov](mailto:bstorey@do.usbr.gov)

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## Oral History Interviews Daniel P. Beard

This is Brit Allan Storey, Senior Historian of the Bureau of Reclamation, interviewing Commissioner Daniel P. Beard, in his offices on the seventh floor of the Main Interior Building, Washington, D.C., on August 22 23,<sup>1</sup> 1993, at two o'clock in the afternoon.

### Early Years and Education

Storey: Well, I was wondering if you would tell me about your education and how you became –how you got where you are today, as it were.

Beard: Okay. Do I need to identify myself? I guess not, I'm already identified.

Storey: No, you're already identified, thank you.

Beard: I was born and raised in Bellingham, Washington. My father—my *grandfather*, actually, was a . . . . Let me back up. My *great-grandfather* was an itinerant . . . printer, and he used to purchase weekly newspapers across the Western United States and then run them for a while and then sell them. And my grandfather grew up in a printing shop and was a printer's devil and left home at about fourteen. His name was Charles Beard. And then [he] ended up about 1897 in the town of Bellingham, Washington. He then decided to go to Alaska in the Gold Rush of 1898, and came back—of course, lost his shirt—and came back to Bellingham in 1898 and started something called “The Union Printing Company” of Bellingham, Washington.

And my grandmother on my father's side was a teletype operator who just happened to work up the street. And, they settled down, and my father was born in Bellingham, Washington. And he went into the printing business as well, with his father.

My mother came from Northfield, Minnesota. Her maiden name was Dilley, D-I-L-L-E-Y, and she was a . . . . Her father died before she was born, and her stepfather . . . . Her mother was a Taft, and related to President Taft in

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1. The interviewer misspoke the date of the interview, and the written identification on the tapes says August 23, 1993, which is correct.

Note that in the text of these interviews, as opposed to headings, information in parentheses, ( ), is actually on the tape. Information in brackets, [ ], has been added to the tape either by the editor to clarify meaning in order to correct, enlarge, or clarify the interview as it was originally spoken. Words have sometimes been struck out by editor in order to clarify meaning or eliminate repetition. In the case of strikeouts, that material has been printed at 50% density to aid in reading the interviews but assuring that the struckout material is readable.

The transcriber and editor have removed some extraneous words such as false starts and repetitions without indicating their removal. The meaning of the interview has not been changed by this editing.

Emphasis on words has been indicated either by italics or underlining. Underlining is used only because glitches in the electronic program prevent editing of a few small sections of the document.

some way—I'm not quite sure how—the Taft family. But they lived in Northfield, Minnesota. She then moved to Cut Bank, Montana, with her stepfather and they tried to homestead, and this happened out in the teens when the price of wheat was high when they went out. They started a farm and the price of wheat went down through the basement, and they went back to Northfield, Minnesota. She lived there until the mid-30s when she came out to Bellingham, Washington, to essentially be a babysitter for her sister's children, and worked in a dentist's office. She met my father and [they] were married, and then my brother was born in 1938, and then I was born in 1943. And then I have a sister who's two years younger than I am.

Anyway, [I was] born and raised and grew up in Bellingham, Washington, and was, I think, planning most of my life to be working the printing shop. When I was in high school, I worked part time in the printing office, printing shop—being either the janitor or any other low level job that we had in the printing shop.

### College Education

Once I graduated from high school, I enrolled at the University of Oregon, primarily because I was a swimmer. When I was in high school I held the state record in one of the swimming events, and I think I got second or something like that, in the state championships several times. And so I was quite a good swimmer, but I had done it very competitively, and was very interested in continuing it, so I went to the University of Oregon. And I was there about three weeks and my father was in an automobile accident in Prince Georges, British Columbia. So I flew up there, and then he passed away while we . . . . I think we had flown him down to Vancouver, British Columbia, but he had passed away about a week later. So I dropped out of school, stayed home with my mother. My brother was in the Marine Corps at the time, on active duty with the Marine Corps Reserve. My sister was in high school. And I stayed there and started school again in January of 1962. I'd graduated from high school in June of 1961. In 1962 I went to Western Washington State "College of Education," it was called then, in Bellingham, and enrolled and spent the winter quarter there. And then spring quarter I went back to the University of Oregon. My brother had come back from his active duty training—he was in the Reserves—and he stayed home with my mother.

And I was there for approximately another year-and-a-half, at the University of Oregon. But at *that* point, it got to be too expensive for out-of-state tuition, and so I came back to Bellingham and enrolled at the college there. It had, by this point, become Western Washington State College of Education. And I had, I think, up to that point, a rather undistinguished academic career. I was on the verge of flunking out. And when I came back to "Western," as it was referred to, I really—the family situation was such that I really had to work. And so I started to *work*. I got a succession of different jobs, part-time, doing various activities. And I really found that tended to



require me to focus more directly on my studies.

And I also took a course when I returned . . . I'll probably get this wrong, but I think it was "Introduction to Geography," with a man by the name of . . . Elbert Miller was his name. I only remember it because it was such a strange name. But he was a professor at Western, and the course was "Introduction to Geography," and I found it the most interesting course I'd ever taken. Up until that point I had been, you know, a social sciences major, a liberal arts major, a journalism major, economics major. . . . Frankly, I was just sort of bouncing around, looking for something interesting. But I really found the geography courses that I began—I then began to—not only did I enjoy the course, but I happened to get an "A," and I think it was the first "A" in a non-athletic class that I had ever received. So I suddenly got very interested in the courses in the Department of Geography. And I decided to major in Geography, and minor, I think, in Economics—which I did.

And I, at some point in my undergraduate education, I had decided to spend a summer in Europe. And in order to do that, I went with a friend of mine, whose name was Larry Teeland and Larry was from Wasilla, Alaska, and I had met him at the University of Oregon, and we decided to go travel to Europe for the summer, like a lot of kids did. In order to do that, I had to leave—I didn't go to the spring quarter. And in those days, if you weren't continuously in college, with only a break in the summertime, you then became eligible for the draft. This will become relevant at a point here. So when I went back to Western and I was in college, I got *almost* to the end of my university career, and my number came up in the draft, and they were going to draft me. And this would have been in 1965, in the middle of the Vietnam War, so you really had sort of very few choices: get drafted and sent to Vietnam, or figure out some other way—either take a hike to Canada, or join the Reserves or the National Guard. And so I joined the Washington State Air National Guard in December of 1965. And I continued to stay in school until the spring of 1965 when I went for basic training. When I went to basic training, I went to, not Lackland Air Force Base, but Amarillo Air Force Base in Texas. It was at a time with the build-up in Vietnam, I was only on active duty, I think, for . . . I was only there for thirty days, and then back to my home unit for the next three months or four months, completing my training.

### **Works for Urban Renewal Division of the City of Seattle, 1966-1967**

And *while* I was completing the training, I finished my last class which I needed to graduate. So I graduated from Western Washington State College in the summer of 1966. I got married the next October. In the summer, I had been offered a scholarship at the University of Washington to attend graduate school at the University of Washington in the Urban and Regional Planning Program. But frankly, I didn't know what a planner did. And so I decided to go to work. I got a job with the Urban Renewal Division of the City of Seattle. And I started that work, I think, in September, and then I got married in October. And I was there about three or four months, and I decided that

this was . . . pretty bad.

### Goes to Graduate School—1967

I really didn't enjoy being a planner at all. So I quit in about March, and I went back to graduate school at the University of Washington in the Geography Department. And I started out there with every ambition of becoming a cartographer. I actually enjoyed cartography courses, and I enjoyed the maps and the study of maps, and everything related to them. And I really thought this was one of the things that I wanted to do. But in the process of taking courses at the University of Washington—and it was probably in the spring or the fall of 1966, I guess that would be, I took a class on the conservation of natural resources from a man by the name of Richard Cooley. And Dick Cooley had been a researcher—actually a writer—and he'd written a number of books with sponsorship from the Conservation Foundation. He'd written a book on Alaska, and land management policy in Alaska, and written books on polar bears, and who knows what else. But he actually was a *fascinating* teacher. So I took a course on conservation of natural resources from him, and I thoroughly enjoyed it. And I really found that natural resource policy was the thing that I was probably the most interested in—much more interested in that than I was in . . . being a cartographer.

So Dick Cooley became my advisor and I sort of launched off my career. I was a teaching assistant throughout this period. My wife had a job working for the King County Medical, which is a Blue Cross-Blue Shield organization. And, the late 60s, being a graduate student in a major university in the late 60s was really kind of an exciting place to be, because things were happening, and it was a pretty great life.

During the course of my work there and education, I *did* take a class in water resource policy, water resources, from a man by the name of Marion Martz, M-A-R-T-Z, and Marion Martz was the provost of the University of Washington, but he had also been a professor in the Department of Geography at the University of Washington, and he still taught this one course. He taught it once a year, actually, I think is all that he taught it. And it was an absolutely *fascinating* course. He was *really* a very *stimulating* professor—a man who had done an awful lot of research work on the Columbia River system, and water resource policy as it related to the Columbia River. He had a practical side to him that most of the other professors there didn't have. He was a pragmatist, a realist, and somebody who had dealt in the real world quite a bit. And it was always very pleasant dealing with him, because it was sometimes such an ephemeral kind of relationship when you talked about other classes. You know, sort of esoteric and general. But Marion Martz certainly was somebody who always had a very direct impact on my thinking. His last lecture in his class was about what needed to be done to change water resource policy. And I don't remember much about the class, other than this last lecture, which basically boiled down to, "We should eliminate the subsidy." If you

eliminated subsidies from the system, it would lead to more rational decisionmaking. It was, you know, again, it was kind of a fascinating, interesting class.

I took the usual sort of array of courses there that were required of the graduate students, and then I wrote my master's thesis. Dick Cooley was still there, and I wrote my master's thesis on the Land and Water Conservation Fund, where I studied a development grant and a land acquisition grant in Washington State, and sort of, you know, how did this new act, which had been passed in 1964, how did it work? and how was it going to work? and that kind of thing. In one of the seminars that we had with Dick Cooley, everybody in the class was asked to take a particular piece of Federal legislation and track through, do a legislative history of it, and then what happened and sort of interpret it. And we actually did write a *book*, a book published by the University of Washington, and the authors were Dick Cooley and Jeffrey Wondesforde-Smith, a hyphenated name. He was another one of the graduate students there. And, I've forgotten the name of it! It was something to do with the quality of the environment. But anyway, it was kind of an interesting exercise for me as a graduate student to see that we could actually do something that we could get in print and then be published and suddenly have some semblance of authenticity to it.

So I started to write my master's thesis, and it turned out that another fellow by the name of Ken Hammond, who was a professor over at Central Washington State College. . . . All these colleges, incidentally, Western and Central both were renamed, I think, in the late 70s to be Central Washington and Western Washington Universities. But anyway, this Professor Ken Hammond had received a grant from the Office of Water Research, through the Water Resources Research Institute in Washington State, and he was studying the Land and Water Conservation Fund. So he actually financed me, gave me a small grant, a piece of his grant, and I think it was the spring of 1969 that I actually took the quarter off and actually wrote my master's thesis. I was financed to write my master's thesis, though. I received my master's degree in 1969.

I decided to continue on because I really enjoyed it, and I had every intention of becoming a college professor, and so I continued my class work, once I got my master's degree, and was proceeding to do all the preparatory work for getting a Ph.D., and I really had every intention of becoming a college professor—that was my ambition. I think along about 1970 or 1971—I've forgotten which—no, it would have been 1969—Dick Cooley was denied tenure at the University of Washington. He was given a promotion to Assistant Professor, but denied tenure. And since he was the most popular professor in our department, he took that as a sign of they wanted him to move elsewhere, so he *did*, and he got a job starting in September of 1970 at the University of California at Santa Barbara, where he stayed until he retired. I think he since has retired.

## Works for Environmental Policy Division of the Legislative Reference Service in the Library of Congress

So in the spring of 1970, I had completed all my class work, actually, for a Ph.D. And all I needed to do was to take my final examinations. And I took those in, I think, the spring of 1970. But I also began to think at that point that if I wanted to be a college professor, I really ought to go out and teach, or I ought to go get some experience in some way. I had taken a class—and I think it was either in the winter or spring of 1970—I was taking a seminar on natural resource policy, and a fellow by the name of Bill Van Ness<sup>2</sup> came by the university and spoke to this seminar. And Bill at the time was the Chief Counsel for the Senate Committee on Interior and Insular Affairs—subsequently renamed the Committee on Energy and Natural Resources—and he worked for Senator Scoop Jackson on that committee. And Bill was an absolutely fascinating—*is* still—a fascinating person. He was a very prolific staff person who really reshaped natural resource policy in this country. I mean, he and another fellow, Dan Dreyfus who worked for the committee at the time, thought up the idea for the National Environmental Policy Act, and environmental impact statements. Bill Van Ness was the fellow who put together the Alaska Native Claims Settlement Act, and the Trans-Alaska Pipeline Act—the *precursors* to FLPMA [Federal Land Policy Management Act] and a lot of other really interesting, you know, legislation that was passed in the late 60s and early 70s. And anyway, I found Bill to be an absolutely fascinating person, and I thought, “If this guy is any indication of the kind of things that happens in Washington, D.C., I’d like to go there.” So I sat down in the spring of 1970 and I literally wrote, everybody I could think of, a letter saying I was interested in going to work. And I even wrote John Ehrlichman at the time, who was in the White House, and the only reason I wrote him is because he was a lawyer from Seattle, Washington, and I lived in Seattle, Washington, so I wrote him. Thank God he said no! or I’d end up in jail with a lot of other people.

But anyway, a man by the name of Wally Bowman called me back. And Wally was the Assistant Chief of the Environmental Policy Division of the Legislative Reference Service in the Library of Congress. Wally had been with the Conservation Foundation, and had actually funded Dick Cooley. And he called Dick and said, you know, “Does this person have two eyes and one head and so forth, and is he a reasonable person?” And Dick gave me a very strong recommendation. And Wally called me in the summer of 1970 and said, “We are in the process of staffing-up. We need new people and new ideas and we’d like to. . . .” And he talked to me over the phone and *hired* me over the phone as a GS-9 researcher at the Library of Congress, and I started

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2. Chief Counsel, Committee on Interior and Insular Affairs, U.S. Senate, 1970-1977; Director, U.S. Senate National Fuels and Energy Policy Study, 1972-1974; Special Counsel, Committee on Interior and Insular Affairs, U.S. Senate, 1966-1969. Van Ness is a founding partner of Van Ness Feldman with offices in Washington, D.C., and Seattle. According to its website, “Van Ness Feldman is a Washington, DC-based law firm with over 80 professionals concentrating on government policy and regulatory issues in the areas of energy, environmental, natural resources, and transportation law.”

work there. So I packed all my belongings in a U-Haul trailer and sold a lot of it. And my wife and I drove across the country with a little Toyota pulling this U-Haul trailer with all our possessions in it. And I went to work in September of 1970 with the Legislative Reference Service in the Library of Congress. And about two months later, the Congress passed the Legislative Reorganization Act of 1970, and renamed the Reference Service the “Congressional Research Service.” And I worked there for the next two years. And I *thoroughly* enjoyed the work: It was fascinating, it was exciting, it was prolific, you wrote all the time and you did nothing but sit around and study what Congress did and why it did it, and what it was doing and where it was headed. It was really exciting. You were with . . . . I think we had, at the time I went to work in the Environmental Policy Division, we only had about twelve to fifteen people that worked there, and you were around these people day and night and you could talk about all kinds of interesting aspects of environmental policy. I worked, really, on the natural resource side of things: I worked on energy issues, and water, and land use—but I never really worked on the pollution side of things, air pollution or water pollution. But it was fascinating work. And when I was there, I went over and I saw Bill Van Ness over at the Senate Interior Committee, and he of course said, “What are you doing here?” and I told him, and he said, “Oh, it’s great to see you again. Here are some things I want you to do.” And so I immediately had the best of all possible worlds. I was doing research work for a committee, which is the *best* thing to do if you work for the Library of Congress, and Bill was a very *prolific* person who wanted all kinds of things done. He always had ideas about, “Well, we need this, and we need this, and we need this.” And so I just sort of became, essentially, a researcher for the Senate Interior Committee, and got to work on all kinds of things. And I really enjoyed it, it was fun.

I got into it about a year, and I decided I really had an interest in becoming a lawyer, and I thought, “Maybe I’ll go to law school at night.” So I talked to my wife who said, “No you won’t.” (chuckles) So then I thought, “Well, okay, if I’ve invested all this time”—and I had really invested quite a *bit* of time in getting my Ph.D.—“that I really would finish that and go back to my career as an academician.” So I notified the Graduate Department that I wanted to take my formal examination. I’d taken the written part of it, and the next step was, you went before the committee and told them what you were going to write your dissertation on, and they sort of approve that. And if they *did*, then you were a formal candidate, and then you wrote your dissertation, and then when that was done, that was it. So I notified the committee, and by this time Dick Cooley had left and Marion Martz became the chairman of my committee, and I decided to write it [my dissertation] on power plant siting legislation at the Federal level and the state level. And I was also at this time doing some work with the Senate Commerce Committee on the same issue. So it helped me out.

But essentially what I started to do in 1972—late ‘71 and early 1972—was that I would work from eight to five, and then I would go get a sandwich and then go back to the office and then work from 5:30 until 8:00

o'clock at night on my Ph.D. dissertation. And then my wife would come in and pick me up and drive me home. And I went on like this for quite a few months. In the meantime, I really decided that if I was going to do this, then I was going to go off and launch my academic career.

### Teaches at Dartmouth College, 1972-1973

I responded to an advertisement for a position as an instructor and assistant professor at Dartmouth College in New Hampshire. I applied, and I was selected. And so in September of 1972, I left the Library of Congress and I moved my meager possessions to Norwich, Vermont, right across the river from Dartmouth, and I began my career as an Ivy League college professor. And I found it to be one of the *worst* decisions I've made in my life. Actually, it was a *good* decision, because I learned what I didn't want to do. I reported the first day at eight, and found out nobody showed up until (chuckles) ten. And I stayed until five and found out everybody else left at four! But I used that as an opportunity to finish my Ph.D., and I *did*. I finished my dissertation and stood for my final exam in, I think, March or April of 1973. So I actually finished it when I was there, and I also wrote a number of articles in academic journals, and held seminars, and did other things that professors do, and for the most part, had a very . . . . I actually was . . . didn't have any problem doing the work.

But I really decided somewhere around December of 1972 . . . . I woke up one morning—and I'll never forget it—I woke up one morning and I went to the office and I was sitting there and I just sort of thought to myself, "This is the stupidest thing I've ever done. I left a job where I made more money, [a job] I thoroughly enjoyed, to become a college professor, and I *hate* being a college professor. I hate the students . . . ." (chuckles) Naw, I didn't hate them . . . .

END SIDE 1, TAPE 1. AUGUST 23, 1993.

BEGIN SIDE 2, TAPE 1. AUGUST 23, 1993.

Beard: Most universities can only afford one expert in a field, and the other thing I found when I was up there was that it was lonely, frankly. Hanover is two hours from anywhere: two hours from Boston, two hours from Montreal. And it's very difficult to engage in outside activities as a professor there. It's difficult to consult or, you know, to do other things that you do to sort of stimulate your mind. Anyway, there's a lot of other. . . . It was not a great place to work, from a personnel standpoint.

### Returns to Congressional Research Service in Library of Congress, 1973-1974

So I called up my former boss at the Library, Wally Bowman, and he offered me my job back and I took it, and so in June of 1973 I went *back* to

work at the Library of Congress. The moment I walked in the door there, the big issue that they were working on was energy policy. The Senate Interior Committee had gotten a resolution passed, calling for a national energy policy study, and they were fully engaged in a series of activities dealing with energy policy issues. And so I stepped right back in and they said, “We need you over here to work on this.” This becomes relevant because it was in February of 1973 that the Arab oil embargo took place. Well, suddenly all this work that I had been doing on energy policy was suddenly relevant, and timely, and all the rest of it. So I hit it pretty good, frankly.

But I returned to the Library of Congress and found myself as a researcher there—again, thoroughly enjoying it. I really did enjoy the work and enjoy the people. And I found it really stimulating. And I worked there for the next fourteen or fifteen months. And then about that point—this was after the 1974 election—really, the only *disadvantage* to working at the Library of Congress is that you’re an observer to a process that’s going on. And that process really is the Congress and legislation and the enactment of legislation. And you sit and observe it, and you’re a little like somebody who’s sitting in the football stadium up in the stands, and you’re watching a game being performed down there. And some people are very happy to sit in the stands the whole time and observe the game. Unfortunately, the more *I* watched the game, the more I wanted to get in and “mix it up.”

### **Works for Congressman Sidney R. Yates on the House Interior and Related Agencies Appropriations Subcommittee, 1975-1976**

So in December of 1974, Congressman Sidney Yates of Illinois, a Democrat from Illinois, had become the Senior Member on the House Interior and Related Agencies Appropriations Subcommittee. And he was about ready to become chairman of that subcommittee. And I’d done some work for him before, and he asked me to come to work for him as a—it was called “associate staff member,” but essentially you were paid by the committee, but you were housed in his office and you assisted him. And it was really the perfect opportunity for me to break away from the Library of Congress. I’d really kind of outgrown the Library, and I really wanted to get involved in, you know, the sort of day-to-day decision making, and get involved in the legislative process. So I did!

I went to work for Congressman Yates in January of 1975, and again I found he was a very, *very* liberal Democrat from the Northshore of Chicago. A very *decent* person, very honorable man, and really a very *nice*, a nice person to work for. I think he was a *hard* person to work for, because he was not what you would call a “warm” person. He was not an easy person to get to know on a personal basis. I have known him for nearly twenty years—I still *do* know him and see him all the time, and yet I don’t ever *feel* as if I know him *personally*, that I know him on *that* kind of a basis. But his administrative assistant, chief of staff, is a woman by the name of Mary Bain, and Mary is somebody that I’ve gotten close to over the years. I was in the same office

with her. We were “roommates” so to speak, in the office. Mary really was, you know, a very influential person—somebody that I’ve known all my life and who I respect a great deal, and who was really an interesting person.

We worked on the Interior Appropriations Bill, which does not include the Bureau of Reclamation. It includes all the agencies in the Interior Department *except* Reclamation. It includes the Forest Service, National Endowment for the Arts and Humanities, the National Gallery of Art, and a number of other Federal agencies: Smithsonian. I went through two cycles of the Appropriations Committee, and I found it really interesting work. I mean, it was challenging. But it was somewhat limiting. You know, I think I found as I went along that I had more *ambition* than I think a lot of other people did. And it was somewhat difficult to. . . . In that associate’s position, you’re asked to really. . . . You really weren’t the committee staff: those were hired by the full committee chairman, and so it was sometimes an uncomfortable position. But anyway, I *did* enjoy it, and I found it gave me a perspective on the Department of Interior which, frankly, has proved me very well over the years. What I learned in those two years, in handling the budget of the Department of Interior, has given me a lifetime of, a wealth of, experience and knowledge which I have been able use *throughout* my career.

### **Invited to Join President Jimmy Carter’s Interior Transition Team, 1976-1977**

After the 1976 election, in November, the Carter Administration came to town with their transition team, and one of the people who was supposed to be the transition officer for the Department of Interior quit in a huff, and I’m not sure, never was able to determine whether or not he quit. His name was Joe Braver, he’s a consultant here in town now. Whether Joe quit because of what he perceived to be a difference of opinion, or whether it was . . . . Whether it was perceived or real, it didn’t matter—he quit. And that left one person in charge of doing the transition work for the Carter Administration on the Interior Department. Her name was Kathy Fletcher. And Kathy had been, prior to that, a researcher with the Environmental Defense Fund in Denver. So a fellow by the name of Jim Rathlesberger [phonetic spelling] who had worked for Congressman [Henry Schoellkopf] Reuss of Wisconsin, and had written a book on the Nixon Administration and the environment. Sort of a fascinating little book: it had a dead duck on the front, as I recall. So Rathlesberger called me up and said, “Would you be interested in going to work for the transition team?” I said, “I guess so,” and I talked to Mary Bain, she said “fine,” and so I did—I went down and started to work for the Carter Administration on the transition team. And it didn’t take Mary long to figure out what was going on, and so she started to put a lot of pressure on me to come back to Yates’ office and raise, you know, sort of interesting problems. But they weren’t really *big* problems, about how I really had, you know, I was being paid by somebody else, but I was on leave.

### **Becomes Assistant Director of Domestic Policy Staff at the White House, 1977**



So I worked with the transition team until late December, and then I actually quit working for Yates and was getting a very meager paycheck from the transition team. And I quit on the hopes that I would get a job with the new administration. I was offered a job with Secretary Cecil Andrus and I deferred and was interviewed by the White House, and was offered a position and I took the position with the White House, and I became. . . . I think Inauguration Day was Thursday–Monday morning I went to work for the Carter Administration in the White House on the White House staff as the assistant director of the Domestic Policy Staff, which sounds like an impressive title, but I was a very low-level staff person on the domestic affairs front, and my job was, basically, to deal with natural resource policy issues, including Indian affairs. I found the work there fascinating, but really challenging. And it was challenging just because of the sheer volume of the work. I used to go to work at 8:30 [A.M.], and I used to be one of the first people there, and I used to sneak out at 8:30 [P.M.] at night and feel badly for leaving my coworkers there—almost all of whom were not married. By this time I had—my daughter was born in 1972, and then my first son was born in 1974—so I had two small children, and kind of wanted to get home. And I would sort of go home, and my wife would greet me at the door and say, “Gee, what happened at the White House today?” and I’d sort of mumble something, go in and collapse on the bed, and then go back and do it again. Well this went on until about late May or June of 1977, at which point the strain really . . . . The job placed a tremendous strain on *me*, personally, and for my family. I was working six, seven days a week, never saw the kids, my wife was raising these two kids by herself and frankly didn’t like it.

### **Becomes Deputy Assistant Secretary of the Interior for Land and Water Resources, 1977-1980**

So I went in to the assistant to the president for Domestic Policy Affairs, Stu Eisenstadt and told him basically I was going to leave because it was too much of a strain on my family. In the meantime . . . . And I called back over to the Department of Interior and said, “You know, you offered me a job before. Is it still possible?” And Chuck Parrish, who had been the assistant to the secretary, said, “Certainly.” I then interviewed with Guy Martin who was the Assistant Secretary for Land and Water Resources at the time. He hired me as a deputy assistant secretary. So our responsibilities covered the Bureau of Reclamation, the Office of Water Research and Technology, Water Resources Council, and the Bureau of Land Management. The day I walked in the door, the other deputy assistant secretary was there. His name was Gary Wicks and he had been the director of the Department of Natural Resources for the State of Montana, and had been fired by the governor for doing essentially what the governor told him to do. But anyway, neither here nor there.

So I walked in and we had our sort of first meeting, the three of us, talking about what we would work on. I’ll never forget it, Gary Wicks said,

“Well, I’m not going to work on water resource issues. And if you force me to, I’ll quit.” And (chuckles) so I looked at him and said, “Well, I don’t know much about water resources, but it’s no big deal to me, so I’ll work on it.” And so sort of in one fell swoop, I was thrown into the . . . soup and given the lead responsibility for overseeing or dealing with the Bureau of Reclamation, and the Office of Water Research and Technology, and the Water Resources Council—both of which were abolished by Secretary [James] Watt.

At the time I came in, in June, Keith Higginson had been appointed the Commissioner of the Bureau of Reclamation in March or April, and he had been with Governor Andrus in Idaho, and so he had been here. And at that time, the “hit list” was on, and we had been asked to review all the water projects. I hadn’t been involved in any of this, but Keith and Guy and a number of other people on the staff there were doing reviews of various water projects and making recommendations. So this whole “hit list” syndrome had been going on.

And so anyway, I came in and spent the three-and-a-half years as the deputy assistant secretary. Somewhere along the line—I’ve forgotten the exact date—Keith came up with a proposal. He said, “The Bureau of Reclamation really doesn’t—the *name*—doesn’t represent what we do. We do things that are a lot different than that, and I want to change the name.” And so my response to that was, “Well, it makes sense to me, but we’d better check with the secretary.” The secretary approved it and the agency became The Water and Power Resources Service for a couple of years, until the 1980 election. But throughout that period, I worked closely with Keith and with representatives from the Bureau of Reclamation on their program, a wide variety of every aspect of their program, frankly.

Again, I enjoyed the work very much. I also worked on budgets and reorganization. The Department of Natural Resources was a proposal that Secretary Andrus was very strong with, and so I worked on that, and I did budgets and personnel, and various kinds of things.

Storey: What were the specific issues that occupied your attention with Reclamation, besides the “hit list”?

Beard: Well, I didn’t really work on the “hit list”. I mean the “hit list” was really all over by the time I got here.

Storey: Oh, okay.

Beard: And I worked on everything. I mean, you know, Auburn Dam was big; Garrison [Diversion Unit of the Pick-Sloan Missouri Basin Program] was big; Narrows [Unit of the Pick-Sloan Missouri Basin Program], which has since dropped off the radar screen, was there; Animas-La Plata; Central Utah Project; Central Arizona Project. The thing that occupied *more* of our time than anything else, obviously, was the Central Valley Project in California,

because as usual, it's the biggest project, it's the most politically sensitive, and it's the most difficult and challenging. So I worked on everything connected with the Bureau of Reclamation. But I think, like most people, I became . . . . You know, after three years, you really get very tired of sort of doing the same thing.

At that point, Keith [Higginson] came to me and said, "Would you be interested in being the regional director of the Bureau in Sacramento? I've got to advertise this position, but I think you ought to apply." And so I talked a lot to my wife and I decided I'd do it. So I waited until the *last* day, when the announcement closed, and I went up and handed in my papers. The personnel people, at least, here, were somewhat taken aback that I would apply. And I went through and I was selected. And this was July or August of 1980. Then I think some of the career staff raised an objection to it, so they went and they put up another panel of people, none of them Interior people, in fact—Forest Service, Soil Conservation Service, others—and asked them to rate the people again, and *again* I was chosen.

Well, my name was then sent over—it had to get approval from OPM [Office of Personnel Management], and it went over to OPM and I'm not quite sure what happened. My guess is, that an awful lot of back-channel phone calls were sent over to OPM and the decision that was made was that because there might be the hint of political influence, they decided they would wait until after the election to approve my selection. (knock at door, tape turned off and on)

Storey: We have been joined by Lisa Guide who's going to sit-in on the interview.

Beard: So, where were we?

Storey: We were talking about your appointment as regional director . . . .

Beard: Oh yeah! Regional director of the Bureau of Reclamation in Sacramento. And so I think that in . . . . Well, what happened was, that after the election, of course, the OPM sent word back that they had approved it. And my answer to that was, I wasn't going to go out there and take this job and then be sent to Barrow, Alaska, or some other place six months later. And I didn't really have a lot of ambition in working as a career civil servant with the new Watt administration.

So at that point I decided I had to scramble to find a job. I looked at a number of opportunities, and frankly there weren't a *lot* of opportunities. I got a job starting in 1980, as a researcher with George Washington University here in Washington, D.C. And my job was really to put together a research plan for them, and to help them raise funds for their program. It was a program on science and public policy—something like this. Frankly, when I went there, it really didn't work out. It was not the kind of . . . . It was sold to me in a certain way and it turned out when I got there, it really wasn't—that

wasn't really the case. It was a time when most Federal agencies had funding constipation in the first few months of the Reagan Administration, and they weren't giving out money for anything, so it was sort of . . . . It was not the best of all possible worlds. I *did* get a small research grant to do some research work on water resource matters related to the District of Columbia, and I did that research work. But by the fall of 1981, I no longer was employed by George Washington University.

### **Executive Director, Renewable Natural Resources Foundation, 1981**

In the spring of 1981, I was interviewed and then given a position, which was a half-time position as the executive director of something called the Renewable Natural Resources Foundation, which is a consortium of professional societies who had purchased the family home of the Gilbert Grosvenor family. He started the National Geographic Society in Bethesda. Twenty-six acres of land, which is on the corner of the Beltway and Wisconsin Avenue. And they had rehabbed the family home and made it into an office building for the Society of American Foresters, and then they were in the process of finishing construction on a building that would house the American Fisheries Society, the Wildlife Society, and they had to find tenants to fill up the rest of the building. So my job was, as executive director of this foundation, was to find tenants to fill up the rest of the building, but they could only be nonprofit, professional societies interested in natural resource issues. And then also start a series of programs . . . that professional societies like that do.

I did that for the next six months, but frankly, the chairman of the board there and I did not see eye-to-eye on sort of what my functions were and what my duties were. And so again, it was in the fall of 1981 that I left as the executive director.

### **Starts Own Business, 1981-1982**

And at that point, I went into business for myself as a lobbyist. My primary client was a lawyer, who I'd known here in the Department of Interior, a fellow by the name of Martin Seneca, and he'd been a director of the Office of Trust Policy in the Bureau of Indian Affairs: trust services, or whatever they call it. And he hated to lobby, but liked to be a lawyer. And so what I did was contract with him, and I did all the lobbying. So I worked, essentially, for the next nine months as a lobbyist on Indian affairs matters. And I did work for the Seminoles in Florida, the Northern Utes, the Crows, the Council of Energy Resource Tribes, the Navajos—particularly NAPI, the Navajo Agricultural Products Industry, or whatever it's called. And I published a newsletter on Indian affairs, a number of other things. So I sort of scratched out a living doing that.

### **Administrative Assistant to Senator Max Baucus, 1982-1984**

In the summer of 1982 it became pretty obvious that my clients were getting further and further behind. We were going into a recession at that point. I was contacted by the administrative assistant for Senator Max Baucus of Montana and asked to apply for the position as the administrative assistant to Senator Baucus, which I did, and I was selected and went to work for Senator Baucus in August of 1982. I was there for the next sixteen, eighteen months, I think, until February of 1984. I reorganized his staff and put together the fund-raising plan, the campaign plan, did the fund raising, and did all the things that administrative assistants for senators do, which is mostly politics and fund raising. And I was there . . . . But it became sort of obvious in the last few months that I was there that Senator Baucus and I really didn't agree on, sort of, the direction that the office ought to be going, and sort of my role in it, and a lot of other things. And I don't think that it was . . . . There was no great conflict, it was just sort of one of those things that became very obvious to everybody that was connected with it that it wasn't going to work out. And I think to be an administrative assistant to anybody on Capitol Hill, you have to really . . . practically have to be in love with the person. I mean, you *really* serve as an alter-ego to somebody. And unless you feel, unless you really share their view of the world, or politics, or issues, it just isn't going to work out. In my case, it just wasn't going to work out.

### **Goes to Work for Chambers and Associates, 1984-1985**

So in February of 1984, I decided that I wanted to go back into lobbying, and I went to work, worked out an arrangement with a woman by the name of Letitia Chambers. And I went to work, I went on the masthead as an employee of Chambers and Associates, a lobbying firm here in town. They call themselves a consulting firm, but we did mostly lobbying. And my arrangement with Letitia was that she would take half of whatever I brought in until I brought in enough to sort of support myself. Well, it took me about forty-five days to do that. At that point, I went on the payroll and was an employee there, with Chambers and Associates. I did work for the American Hospital Association, U.S. West, a group of publicly-traded limited partnerships that had a tax problem. I did some work for the National Audubon Society on the Garrison Project. I, you know, worked for a series of sort of health care and tax-related kinds of work. It was challenging, but frankly, it was not my cup of tea. There are insiders and there are outsiders, and unfortunately I'm an insider. So I really found that being a lobbyist, while it was easy work, and I didn't have any sort of moral or ethical objections to it—it just was not something that grabbed me as “this is going to be my life-long profession.” It was not something that did that.

### **Becomes Staff Director of House Interior Subcommittee on Water and Power—1985-1990**

In the fall, September, of 1984, I got a call from John Lawrence, and John is the Administrative Assistant to Congressman George Miller. And John called me because a congressman from Texas, whose name was Chick

Kazen had just been defeated in the primary and Kazen was the chairman of the House Interior Subcommittee on Water and Power, with oversight over the Bureau of Reclamation. He said, "Would you be interested in going to work for George as the staff director for this Subcommittee on Water and Power of the House Interior Committee?" I said, "Yeah, I guess I would," because I had met George Miller and John Lawrence in 1977. When I came to work at the Department, George was one of the few congressmen who stood up and publicly supported the president's "hit list" and water policy reforms and everything else that President Carter was doing, and was a big champion and supporter. And he has always been a reformer on water resource policies—primarily because of local politics, his politics in his particular district.

So after the election, George did get the chairmanship of the subcommittee, and I quit at Chambers and Associates, and in February of 1985 I went to work for the House Interior Committee as the staff director for the Subcommittee on Water and Power. There were three people there at that time: Lori Sonken and Steve Lannik [phonetic spelling], and myself, and we were there for the first two years. The subcommittee had jurisdiction over the water resource programs of the Geological Survey and then the Bureau of Reclamation, and the power marketing administrations.

And then two years later the committee reorganized again, and we got jurisdiction over—in addition to those activities—we got jurisdiction over outer continental shelf leasing, and Alaska lands issues, which really meant ANWR, the question of whether or not you would open up the Arctic National Wildlife Refuge to oil and gas development. And we then hired another three people to go to work there, to handle those issues. And so I've gone from having a staff—there were three of us, then there were six of us. And then two years after that, we then hired another person, so eventually there were seven of us, and I was there six years, until 1990.

In the last year or so that I was with the subcommittee, as the subcommittee staff director, Congressman Mo Udall of Arizona, who *was* the chairman of the committee, was really in failing health. He suffers from Parkinson's Disease . . . .

END SIDE 2, TAPE 1. AUGUST 23, 1993.  
BEGIN SIDE 1, TAPE 2. AUGUST 23, 1993.

Beard: . . . difficult period for George because on the one hand, of course, he did want to be chairman of the committee—anybody would—he was the next person in line. But on the other hand, he didn't want to be seen as the person pushing Mo Udall out the door. And Mo *is* a very revered figure and somebody who everybody supported. So it was a very difficult . . . . The last year as subcommittee staff director was very difficult, because I was suddenly thrust in the situation of having to be an expert on all the other issues that the committee dealt with, but I had no license or ability to affect it. And so we

suddenly got into issues on territories, for example. Well, George didn't know anything about it, and I knew a little from my days with Congressman Yates, but other than that . . . I knew who to call to find *out*, and that kind of thing. But, anyway, it was a very challenging time.

### **Staff Director of House Interior Committee, 1991-1993**

After the 1990 election, it became very obvious that Mo simply wasn't capable of continuing as the chairman of the committee. And so the Democratic Caucus re-elected him, but it re-elected him with more "no" votes than he'd ever received before. And the deal that was cut was that he would be re-elected and then the Majority Leader would go to him and ask him to, tell him that, he had to resign, because he simply was incapable of performing the job. And Congressman [Richard A.] Gephardt, in fact, *did* go to see Congressman Udall on a Friday, and then that weekend he fell down the stairs and was injured rather severely, and he actually never recovered from it. George was then made the acting chairman of the committee. He was made the acting chairman on Thursday, and Thursday afternoon George called me and the staff director for the full committee in and told the staff director he wanted him to resign and he wanted to appoint me as the staff director for the committee, even though he was only the acting chairman. And he set up an office of the chairman, and he put this former staff director up there, and a couple of other staff people, and then he sort of put me in charge of the rest of the staff. And, I went about the job of sort of trying to put together a staff for the acting chairman, in expectation that the full committee chairman would *leave* at some point. But again, it was sort of a difficult period from January until . . . Well, really, from December until . . . No, it was January of 1991. From January '91 until May of 1991, it was a very difficult sort of internal relationship that went on.

But anyway, in May of 1991, Congressman Udall resigned, George Miller was elected chairman of the committee, and at *that* point I then had to go through the process of getting many of the Udall people to leave, and to hire people to replace them, and to organize the committee in a way that George wanted it organized—which we *did*. And I served as staff director for the committee up until March of this year, 1993.

After the '92 election, when President Clinton was elected, I really—I had been with the committee and with George for eight years. I *thoroughly* enjoyed it in *every* way. He is the *easiest* person I've ever worked for; he's opinionated and he's strong-willed, but, you know, I agree with his opinions, so it really wasn't all that difficult; and he's gutsy; and he's very smart. And in every way, he was a *perfect* person to work for. But I had been at that job for eight years, and frankly, I was getting a little bored with it. I had hired all the people on the Democratic side of the ledger there, and they all worked for me, and I knew—you know, I'd worked for them, *some* of them as long as eight years, but some as long as just two years. But nevertheless, I knew their strengths and their weaknesses—they're like everyone else, predictable. The

workload seemed to be fairly predictable, and frankly, I guess I just got a little bored with the job. I didn't really look forward with a great deal of anticipation to the next four years with a Democratic administration and sort of sitting in my little chair up there.

I really decided I'd reached fifty years of age, and I had twenty years of Federal service, so that meant that I could retire at any point. I had turned fifty in April of this year, so it really gave me a sense of, as I thought about it, really a sense of . . . freedom. If I was going to do something—and I'd been a risk-taker most of my life—if I was really going to do something, I really felt now was the time to do it. So I decided I wanted a challenge, a personal challenge. And I really thought a lot about it, having served in the Department [of the Interior] before. I really had no interest at all in being assistant secretary of anything. I'd done it, I'd been a deputy assistant secretary, and to me, that was doing the same thing. Essentially, that was doing the same thing I did up on The Hill, and why would I give up a position on The Hill to go do the same thing downtown? And I really wanted to do something that was different and something that I had never done before. Only one thing I'd never done before was managed an agency. And I really felt that managing an agency would give me the kind of *personal* experience that I needed. I had never been a manager of a large number of people. I had managed eighty people when I was with the committee, and that's the most I'd ever managed, but I'd never actually done that. And I really . . . . I just, I guess I wanted the personal challenge. My wife thought I was nuts, because she said, "You'll take a pay cut, and you'll get a reduced retirement annuity as a result of doing this." And I said, "Yeah, that's all true, but nevertheless, I'm kind of looking for the challenge. I don't know if I want to continue to do *this* the rest of my life either." So I was really in the throes of a decision, and I decided in a weak moment that *that's* what I wanted to do.

### **Seeks Appointment as Commissioner of Bureau of Reclamation, 1992-1993**

And I sort of started the ball rolling. And it was kind of interesting, once you start a little campaign for yourself for a position like this, once you get the ball rolling, it's awful hard to get it stopped again. And I received—surprisingly, I got a lot of support from a lot of people *very* quickly. And I guess that sort of surprised me in the sense that I guess I just didn't think that many people cared one way or the other (chuckles), but obviously, a lot of people did. So I got a lot of support and I really worked at it hard. Obviously, I talked to George and got George's support. I talked to various interest groups and others, and got their support. And actually, once Secretary Babbitt was appointed, we had the committee members, the Democratic members, at a dinner with Secretary Babbitt. And I had known him before. He had been a lobbyist and come in with several clients to talk to me about various issues. And I had called him right after the election and said, "When you're appointed secretary of interior, I'm interested in talking to you about a job." And he said, "Well, obviously, the election has just occurred. I don't know if I'm even going to *be* secretary of the interior." I said, "Well . . . ." In



a fit of—I don't know *why* I predicted this—I said, “Don't worry, you *will* be appointed,” and of course he was.

But the secretary came up to me at that dinner and said, “I know you're interested. I'm interested in talking to you, but it's going to take me a while.” I said, “Fine.” And in the meantime, an editorial was published in *The Sacramento Bee*, by a fellow by the name of Bill Kahrl which basically torched *me* pretty badly. And it was the only *negative* reaction that *anybody* ever had. It was a rather bizarre editorial, which I'm still not quite sure what he was after, but George Miller had opposed Auburn Dam, and Bill Kahrl was for it, and somehow he linked Auburn Dam and me and George Miller together and sort of said, “Dan Beard is against health and safety for people who live in Sacramento, and why is he for killing people?” You know, sort of . . . I'm not sure why he didn't throw in rape and incest into the whole thing either. Anyway, the importance of this was that the secretary *did* read that, obviously, and I think it had an effect on him. Suddenly I was getting nothing but good press, and then all of a sudden, bam!, get this thing. So anyway, I did go talk to the secretary. He raised this editorial, and I think the fact that I had worked for George, and George had a reputation for being a very hard-nosed kind of guy who is sort of “in your face” on nearly every issue, made the secretary rather suspect. But I had one interview with him, and it really didn't go very well. It was kind of interesting: I talked to him and said, “Are you for abolishing the Bureau of Reclamation? Because if you are, I'm not interested in the job. It's not that the Bureau *shouldn't* be abolished, but I think it never *will* be, so it ought to be *changed*. It ought to have a new focus, new direction.” And he said, “I'm not for abolishing it any more. Obviously I said that to get everybody's attention. But I support what I said, you know, that's *wrong* with the Bureau, and it ought to be redirected.” And I said, “Well, Mr. Secretary, that's what I want to do.” And he said to me, “Why do you want this job?” And I said, “Well, I'll *tell* you why I want this job: because I sat down and I decided I wanted a personal challenge. But because I can't be the BIA [Bureau of Indian Affairs] Commissioner—which to me is the most challenging job in this Department—this is the second-best.” And I said, “I just want to know, Mr. Secretary, if—unlike a lot of other people who are going to get hired here who are going to *tell* you that they're going to do things, I'm going to *do* it—and the question is, when things get tough, and you run into problems, are you going to be there to support me?” So he and I then actually had some, you know, not heated words, but it was an interesting (chuckles) debate. And I found out later on he was kind of doing it to goad me a little bit to see how I would react. I frankly thought the interview didn't go very well at all. And lo and behold, he called me up, said, “Let's have lunch,” so we had lunch, and he told me, essentially, that he felt very comfortable nominating me. I think what happened in the interim, probably more than anything else, John Leshy, who's now the solicitor, had talked to the secretary and John, and John and I knew each other in the Carter Administration and I had actually hired him to come to work for the committee for a sabbatical for a couple of years. And he was very supportive of my candidacy and pushed the secretary very hard.

## Nominated to Serve as Commissioner of Bureau of Reclamation, 1993

But anyway, for whatever reason, I got the job, and I quit the committee in March. I got the nomination from the White House, the president nominated me, and I quit the committee in March, I think, and came to the Department as a consultant. Then they held my committee hearing—the nomination hearing—was held in mid-May. And then it was rather routine, actually. There were no real great problems in the nomination hearing, and I was nominated and confirmed by the Senate in May, and took over, I think, on May 24, if I'm correct.

Storey: That's when you were confirmed, was May 24.

Beard: May 24. So that's it! That's the background, which only took an hour-and-a-half!

Storey: What's your impression of the nomination hearing before the Senate? What kinds of things were they interested in?

Beard: They weren't interested in me at all. Public Law 102-575<sup>3</sup> had been passed last year, and this was a fascinating piece of legislation that I had been working on for over three years. We'd started out about three or four years ago as a very small bill that rather than pass five simple little, minor, non-controversial bills, we put the together under *one* bill and passed. And it just kept *growing*, and it grew into this sort of *monster*. And by the end, it had about two billion dollars' worth of project authorizations on it. Well, I must admit, that if you can help people get about two billion dollars' worth of project authorization in this town, you can make a lot of friends. And I *did* make a lot of friends with that bill. The Central Utah Project Completion Act was on there. The Miller-Bradley legislation dealing with the Central Valley Project Improvement Act was on the legislation. And so, to be perfectly honest, I didn't have *any* problems with the confirmation process. Senator [Malcolm] Wallop asked me a number of questions, but I had worked with the Republican and Democratic members of the committee of the Senate Energy Committee for eight years, and on a wide variety of legislative matters, and they knew me and they knew that I was going to be responsive to their inquiries and they knew that I was not some kind of monster or some lunatic. Frankly, I get along with them very well—I have very good personal relationships with them. And then *some* of the members, actually, over there—Senator Larry Craig is an example— Senator Ben [Nighthorse] Campbell—had actually been congressmen before and had served on the subcommittee that I was the staff director of. So I had personal relationships with a lot of the members: Senator Bradley, Ben [Nighthorse] Campbell, Senator . . . . Just a lot of the senators. So frankly, the confirmation hearing was not at all difficult for me—it was very easy. Fortunately, I got to go up

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3. Public Law 102-575 is the Reclamation Projects Authorization and Adjustment Act of 1992. Title 34 is the Central Valley Project Improvement Act.

with George Frampton, who was nominated at the time for the Assistant Secretary of Fish, Wildlife, and Parks, and he was *very* controversial. So they asked a few questions of me, and then spent their time quizzing him. And I sat there and smiled for two-and-a-half, three hours. So I didn't have to—you know, it wasn't all that difficult.

Storey: And what are the issues that you see confronting you that you want to change in Reclamation?

Beard: Well, frankly, I didn't take this job to just cruise along for the next four years. In my view, the Bureau of Reclamation is an agency that *has* to change. And it's going to change no matter what happens. And it really is an agency that absolutely *has* to change. It's *got* to go in a new direction. It's mission that it originally set out to perform in 1902 is over with. Even the employees in the agency found this when they wrote the 1987 or '88 Report, when they said, "Essentially, our original mission is over. Now we've got to find a new mission." And the reason I took the job is that I really feel that I can help the agency find that new mission and move them in that direction. The *challenge*, the reason I wanted to do this, is that *I* think it's going to be an *extremely* difficult task. It's a little like trying to turn an aircraft carrier. I mean, you can spin the wheel all you want, and nothing happens, and it takes *time* to make sure that that aircraft carrier moves. Well, it's the same with the agency. You can set new policies, but it takes time, and we've got to change the *culture* of the agency. And changing the culture really means changing the people. And so what I'm interested in doing, the reason I took this job, is that I want to try to see if it's possible to take an agency of 7,500 people that are going east and turn them so they all go west, if you will. And I know it's not going to be easy, and maybe it's a herculean task, but I'm going to try to do it. And maybe that's just because I like a challenge.

And what do *I* want to do? I really do believe that the Bureau of Reclamation is filled with *talented* people who have a *history* and an ethic of doing things. I mean, that's what's got them in trouble. They're an agency filled with doers. Many Federal agencies—some agencies are filled with people who just love to talk about problems and never do anything. The Bureau is actually filled with risk-takers and people who do things. And [the Bureau is] filled with people who have visions and they try to implement those visions. I mean, when you *think* of something like Glen Canyon or Grand Canyon or Shasta or anything else that we've ever done in the history . . . . I mean, it's pretty remarkable, that anybody can sit down and sort of say, "Hey, we ought to do *that*." Most people would go, "What?! Are you crazy?!" I mean, that's . . . . I was just out at Glen Canyon Dam over the weekend. I was there last Friday. You come up over the hill and you just take one look and you say, "Holy smoley!" You know, that's the first time I'd ever seen it. I mean, that's got to take a lot of vision to see that. And that vision, that willingness to get in and do things has actually been what's got the agency in so much trouble over the years: they just wanted to keep doing things—they didn't care what they were doing, they just wanted to keep doing

it. And always it was, “Always build the next project.” And that’s been our mantra for the last, you know, ninety years: “Let’s build another project. Okay, now that we’re done with that project, turn it over to the locals for them to operate and maintain and we don’t care anything about it. Let’s move on to the next one.” And then you plan the next project, get it authorized, get it under construction. Once it’s finished construction, turn the O&M [operation and maintenance] over to the locals, and you’re on to the next one. And that was the system that worked here for seventy or eighty or ninety years. And it was wandering around the West with *one* prescription to solve Western water problems. And that one prescription is, “We’ll build you a facility, a storage reservoir. Let us build you a storage reservoir.” And that’s the only prescription that we offer.

Well, those days are over now, and the question is, What are we going to offer in return? As we go to the City of Las Vegas and say, “Okay, now you’re approaching a million people in the City of Las Vegas, and we *know* we can’t build any more storage reservoirs that can supply you with water. How are we going to help you meet your water supply needs?” And I really think that the Bureau *can* be a major player, and it *ought* to be a major player. The Federal government, just for the wide variety of reasons that we’re involved in water resource matters in the West, *ought* to be a major player. But *I* think what we ought to be doing is offering sort of *different* solutions. We ought to be offering solutions that look at the *demand* side of the equation, we ought to be looking at ways in which we can get the *most* out of the system that we have today.

I think, I really personally believe, that the parallels between water and energy are very close. In 1973 we had a system in Energy where the *only way* that people talked about getting new supplies was by building central power stations. That was it! That was the solution: You needed power?—go build a power plant. Either it was a hydro plant, it was a nuclear plant, it was a coal or gas fired. But that was the only solution. Well, in 1993, you have—every major utility in this country doesn’t talk that way any more. They talk about efficiency improvements are the way that they meet their future needs. Southern California Edison, the second-largest investor-owned utility in the *world* is saying that they’re going to get all their future needs from efficiency improvement. I mean, you know, it’s a really dramatic change in a short space of only twenty years. I really think something similar to that is going to have to happen in water. For a *variety* of reasons today, we can’t build storage reservoirs any more. The public won’t allow it, the system doesn’t encourage it. I mean, you know, when you think about endangered species and 404 Permits and *all* the other mumbo jumbo that goes with it, we just won’t be able to do it any more. Somehow, we’ve got to find a way of meeting future water supply needs. And if we can’t build storage reservoirs, then we don’t have much choice. The only choice we seem to have is to somehow work over on the “soft” side of the equation, on the demand side: either promote efficiency improvement, conservation, transfers, markets, banking—anything to move water around and to reallocate water. Reallocate it from low priority

to higher priority uses. And essentially what that means is moving water out of agriculture and moving it over to other uses, whatever it may be.

So that's the challenge of the future, but we as an agency, you know, the question is, What's the role of a Federal agency in working in this area? And that's one of the challenges that we have as an agency of where we go in the next few years. (inaudible)

Can I stop at this point and get a drink of water?

- Storey: Sure. (tape turned off and on) Well, I'd like to pursue this a little further. You know, one of the things that CPORT [Commissioner's Program Organization and Review Team] discussed was what the public wants. And one of the things I was interested in as I was reading CPORT and thinking about this interview was, who makes the value judgements about, we can give up food production, we can give up fiber production, whatever it happens to be—in favor of population growth in the West—those kinds of things. Do you have any thoughts on that kind of issue?
- Beard: Yeah, I think that if you *eliminated*—just if you were a dictator and could eliminate it tomorrow—if you eliminated Federally-irrigated agricultural production tomorrow, it wouldn't have an impact at all on food and fiber production in this country, nor would it affect prices to any great degree at all. Studies have shown that that's just part of the myth that has built up around the Federal irrigation program that somehow we're providing food and fiber for the nation. And I just think it's a crock. Not a crock, but I don't think that it holds up under analysis. Our program, you know, the view has been for ninety years that the most important thing that the Bureau of Reclamation does is it provides water for irrigated agriculture. I don't think that's the case. I think the most important thing that the Bureau of Reclamation does, is, it has a storage reservoir with *water* behind the storage reservoir, and we have the ability to regulate the river to meet in-stream uses. I think that if you look out—this is 1993—if we come back and hold this discussion in a year, 2003 or 2013—I mean ten or twenty years from now, what you will find is, that irrigated agriculture, we'll *still* provide water for some irrigated agriculture. But the most important uses of reclamation water are going to be for urban water supply needs, and for environmental uses, in-stream flow uses. And that's increasingly what's happening to our facilities. The demands on us are not demands for us to build additional reservoirs or to provide more water for irrigated agriculture. We're taking water *away* from irrigated agriculture, and giving it to other uses. In California this year, we reduced the water supply from the Central Valley Project by 20 percent, and we gave it over to endangered species. Just (snaps fingers) we did it like that. We didn't even think about it. And I think the primary reason it's not going to have an impact on agriculture production, is that there are so many other alternatives out there for irrigated agriculture: they can pump groundwater, they can change the crop mix, they can use less water, and so forth. I really *do* think that these are all going to be changes and challenges that we're going to have to face. We

have a program that's going to have to change, primarily because society is changing. The values that . . . . You know, every Federal agency has to respond to public opinion and the perception of public opinion. And sometimes it's not an exact science—that's what politics and policy-making and elections are all about, frankly. But I think it's inevitable that our program is going to have to change, from what it is today, and that we're going to do different things in twenty years, ten years, than we're doing today. And certainly we're going to be a lot different than we were twenty years ago. I don't know if that's a very good response to your question.

Storey: No, I think it's interesting. Of course one of the talked-about books nowadays is *Crossing the Next Meridian* by Wilkinson,<sup>4</sup> in which he refers to the "lords of yesterday," and the fact that precedent and law, and so on, dictate the present and the future because of what's happened in the past. What kinds of issues do you see that Reclamation is going to have to confront in dealing with these kinds of issues in order to effectively change and become the new agency?—which I think a lot of Reclamation employees recognize we need to *do*, but they're having difficulty taking the steps that result in change.

Beard: Two things are going to have to happen, *three things*: First of all, some time is going to have to transpire—we can't do this overnight. It's going to take us who-knows-how-long, but I mean a long time. It's going to take us . . . four years, six years, eight years, *some* period of time. So time is the first thing that has to occur.

Second of all, we have to change the culture. We have to, *I* have to, and all the . . . .

END OF SIDE 1, TAPE 2. AUGUST 23, 1993.  
BEGIN SIDE 2, TAPE 2. AUGUST 23, 1993.

Beard: You know, we're a bureaucracy. We're Federal . . . . Most people, the vast number, majority, in Reclamation are career officials, and they look up at their supervisors and they say, "Okay, what's in?" I mean, you're like anybody, you're survival of the fittest, and you say, "What's in?" And if all you hear is, "We ought to be promoting environmental values, we ought to be promoting conservation, we ought to be promoting water transfers, we ought to be looking at ways of reducing the demand for water, improving the efficiency of the use of water," then I think everybody in the agency is, "Okay, well, that's what we're going to talk about, because that's what's going to get me ahead in this organization. I'm not going to get ahead in this organization if I stand up and say, 'That's a bunch of horse manure, we ought to build storage reservoirs,' because what will happen then, is, you'll get yourself booted right out." You just won't be in on what it is we as an agency are trying to do.

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4. Charles F. Wilkinson, *Crossing the Next Meridian: Land, Water, and the Future of the West* (Island Press: Washington, D.C. and Covelo, California, 1992).

So I think changing the culture—you know, *I* think it's important to go around and talk about . . . and that's why *I* go around so much and I say, "The dam-building era is over." I'm going to keep going, saying it over and over and over again, until . . . . You know, I'm going to beat it into everybody's head, because I'm just waiting for the first time a congressman will ask me in a congressional hearing, "What about building such-and-such?" And I'm going to look at him and say, "Congressman, we're not in the dam-building business any more." That statement will send shock waves through this organization. But we're *not*. That's not our primary function. We ought to be helping Western States and communities to solve their problems, their *contemporary* problems. And that's what we're all about. We're a problem-solving agency. I can harness that "doer spirit" that I talked about before, that we as an agency are filled with doers. And if I can harness that spirit and direct it towards solving contemporary problems, problems that communities have *today*, that Western States and communities have today, then we've become a very relevant agency, we become somebody that's on the cutting edge of solving problems.

The third thing that we need is that we need to diversify our work force. We have, really, a work force which is very monolithic. One-third of my employees at the present time are over fifty years of age, and one-third are between forty and fifty. So that means, clearly, two-thirds of my work force is over [forty] *fifty* years of age. And it's not a very *diverse* work force, either. It, for the most part, is engineers, most of whom are white males, and who have been brought up—I mean, if they're over forty years of age—two-thirds of my employees are over forty—if they've been there that long, you know they've had at least fifteen years of experience in a culture where they've been told to do things. You know, "We, as an organization, are trying to do the following . . . ." So you can't change that overnight. What we have to do, is, that we've got to diversify our work force. We've got to have a more diverse work force—and I don't mean just having more women in executive positions, although that's *terribly* important, or Hispanics or African-Americans or whatever—but I mean *intellectually* diverse as well, having people who have different viewpoints become project managers, and regional directors. You know, if you look at all our project managers and all our regional directors, they all come out of the same cookie cutter. They're all civil engineers, for the most part, who've been with Reclamation for over twenty years. Well, that doesn't *give* you a very diverse work force. And it's not . . . . My personal view is, and I'm not saying that's *bad*, it's just a fact of life. But what it *leads* to is, that it means that you've got a work force that doesn't value and promote change and new directions. So I think one of the things that I'm going to try to do is, I'm going to try to work very hard during *my* tenure here, on the culture of the organization, and I'm going to work to try to diversify the work force, and I'm then also going to work on a wide variety, trying my best to make sure that we can begin to change many of the programs that we have, the approaches that we use, and get rid of the outmoded approaches and bring in new approaches towards solving problems. I mean, we spend . . . .

Well, conservation is a good example: We now provide highly-subsidized water for use by the agricultural sector. And of course the *one* thing that we can do to promote water conservation in this country is, increase the price. The most powerful tool we have, which is to raise the price and promote conservation, or less use, we're *encouraging* by providing water at subsidized rates. So somehow we have to wrestle with many of these internal inconsistencies. And they won't be easy, frankly. It's going to take a long time. Having been through this once before in the Carter Administration, having been through the efforts to try to reform or revise programs, the one thing I know *enough* about it is, that I'm patient enough to wait it out. It can't all be done in six months or three months—it's going to take several years. And even if at the end of four years, and I'm still here, four years may not be enough—it'll take longer than that.

Storey: Well, we have used up the two hours that I asked for, so I think it would be a good idea if we stopped now.

Beard: Is there anything else that's right on your mind?

Storey: Actually, there's another two hours' worth of questions, I think, that have come up, where I'd like to probe into some of the things you've talked about. I have to say, you're a very good interviewee! You do it all by yourself.

What I'm wondering, though, if you have any problems about *this* interview, about Reclamation using it, the materials in it, or making it available to outside researchers, or if you would prefer to wait until later to make a decision about that . . . .

Beard: I'd rather prefer to wait until later to make a decision. I think my *preference* would be to make this, as well as the follow-up interview, available at the same time. And I think, I'm not quite sure *when*, also, I'd like to make that available. My guess is, I'd rather give myself a little while to get going. But we can decide it at a later time.

END SIDE 2, TAPE 2. AUGUST 23, 1993.  
BEGIN TAPE 1, SIDE 1. SEPTEMBER 7, 1993.

This is Brit Storey interviewing Bureau of Reclamation Commissioner Daniel Beard, on September 7, 1993, at two o'clock in the afternoon in his offices on the Seventh Floor of the Main Interior Building in Washington, D.C..

### Works for Congressman Sydney Yates

Storey: Well, at the last interview we discussed, I think, the highlights of your career, and I'd like to pursue some of that further. For instance, Congressman [Sydney R.] Yates—I believe he's from Illinois, isn't he? (Beard: Yes.) He is a fairly prominent person in the Historic Preservation Program, in terms of legislation and his interest in it. And of course that affects Reclamation



pretty directly. I was wondering if you could comment a little further on him as a person and his interest in that particular program.

Beard: Well I went to work for Congressman Yates after the 1974 election. As I told you before, I had left graduate school, come back to Washington, worked for the Library of Congress for two years, then gone to Dartmouth College, discovered I wasn't an academic, and came back. And I really felt, after I'd come back to the Library of Congress and was there for another year-and-a-half, that I really—I felt an awful lot like a spectator at a football game. I may have used this analogy before, but I just really felt an overwhelming desire to become engaged in the legislative process, rather than spend the rest of my professional career writing about what other people were doing. I really felt a desire to get involved and get in there and sort of “mix it up.” And I think that's sort of a personality trait that I and some other people have, and other people *don't* have. Many of the people that I started with at the Library of Congress in 1970 are still there, and it's over twenty years later, and they're very happy there. It's a great place to work.

But I'd done some work for Congressman Yates. He was about to become the chairman of the Interior Appropriations Subcommittee, and he asked me to go to work for him as his associate staff member. What this meant was, I was housed in his office but paid with committee funds, and my responsibility was to help him as chairman of the committee, get done whatever he wanted to get done. It was a little like going from the fat to the fire. Maybe that's not the right analogy. Jumping into the middle of the appropriations process was . . . . It's a little like being thrown in the water and you don't know how to swim. It was a pretty overwhelming process. It was a pretty overwhelming experience, frankly, for me personally. I had been an academic all my life, I'd trained to be an academic, and now suddenly I was . . . . And I'd been doing *research* work at the Library, and now I was being asked to make recommendations on a million dollars for this, or two million for that, or “here are a series of add-on requests from Indian tribes, what do you think?” And it was a pretty invigorating experience. I found the work challenging. It gave me a perspective about the Department of Interior and the other agencies we oversaw that I never will have again. It gave me the ability—it gave me knowledge and an oversight, in examining how they perform, that you just don't get any other place. It's a *very* unique perspective on agencies and on programs.

I worked there for two years and with Congressman Yates for two years. He's a very interesting man. He's *scrupulously* honest, a very, very decent man who ran for Congress, really, on a lark. In 1948, Illinois had its Primary in March of that year, and of course President Truman was expected to be defeated overwhelmingly by Dewey in November, and the Democratic candidate for the Ninth Congressional District in Illinois got a chance to be appointed a Federal judge, and he took that opportunity. And so the Democratic Party found itself without a candidate. Sid Yates was a young lawyer in town and sort of stepped up and said, “Well, I'll do it.” And

everybody thought, “Well, here’s a nice sacrificial lamb,” so he got a guitar and he went around to various groups and sort of sang songs and talked, and lo and behold, he was swept in, in the 1948 election, and won the Congressional seat. And he served there from 1948 until 1960 when he was passed over for chairmanship of one of the appropriation subcommittees. He was slated to be chairman of the Department of Commerce and Related Agencies Appropriations Subcommittee, but Clarence Cannon, who was the chairman of the full Appropriations Committee at the time, felt that rather than have a liberal, like Sid Yates, be the chairman of a subcommittee, he’d just abolish the subcommittee, which he did. Then he created the State Justice and Commerce Appropriation Subcommittee. So Mr. Yates sort of “saw the handwriting on the wall,” and he decided to run for the Senate in 1962, and he got the Democratic nomination, ran against Everett Dirksen and lost by less than a vote a precinct. He was out for two years, and then came back in 1964.

So when I arrived in 1974, he had been a member of Congress for twenty-two years, and yet never been an appropriations subcommittee chairman—and this was his first chance. And so I actually got a chance to work very closely with him. He did not feel comfortable with the full committee staff who worked for him. And so he and I developed a very close working relationship. But he was the kind of person who was very hard to get close to. We had, and we still have, a very close professional relationship. I see him quite often, I like him very much, we are very cordial to one another, but I don’t think we’ve ever been very close personally. And I don’t think he’s very close to many people, personally.

But he’s an absolutely fascinating man. He’s a very capable politician, has become very knowledgeable about the programs—a man with a committed ideology. He is a committed, dyed-in-the-wool liberal Democrat—proud of it, and has never backed-off of it. And when things got sort of bad in Washington in the early 1980s, when the “Reagan Revolution” sort of came to town, he stepped up and really did a remarkable job through his appropriation subcommittee of protecting and preserving many of the programs that were near and dear to his heart.

With respect to historic preservation, you’re right, he has a long-term interest in the program. More than anything, it was an intellectual interest: he just was interested in the subject, and just interested in it intellectually. And so he spent a lot of time, and it had some relationship to his district, most of the things in the bill didn’t have a lot to do with his district, which was the Northshore of downtown Chicago, and after redistricting in 1980, he got Skokie and Evanston, Illinois, which were college towns, but for the most part it was just. . . . You know, it’s an urban district.

So that’s Mr. Yates.

Storey: What about his attitudes toward Reclamation as Chair of that subcommittee?

Beard: Reclamation didn't report to that subcommittee, and he sort of has no views on it. They report to the Energy and Water Appropriations Subcommittee. I didn't have anything to do with Reclamation at all during that period, other than I knew it existed. But in terms of the program, I didn't have anything to do with the program.

Storey: So it's not part of the Interior appropriation then?

Beard: No.

Storey: It's a separate one?

Beard: Yes, it reports to the Energy and Water Appropriations. Corps of Engineers, Bureau of Reclamation, and many of the programs—the vast bulk of the programs in the Department of Energy are all in another. . . . It used to be the Public Works Appropriations Bill, but they gave it a new title many years ago.

### Geography as a Discipline

Storey: You mentioned, when we spoke last time, your interest in becoming a cartographer. And as a person who isn't very conversant with the field of geography, that's the kind of thing I think of when somebody says they're studying geography. Yet, you were talking about professors who influenced you and they weren't influencing you about cartography, so much, as they were about public policy issues. Would you expand on what geography is interested in, and how you became involved in the public policy issues through that kind of thing, please?

Beard: Yeah, geography is one of those disciplines which is somewhat schizophrenic about itself. It's a social science, and it's a social science that's interested in the distribution of people, places, and things, is the best way to describe it, in a layman's term. How people interact with their environment, how it relates to the way people live and work and interact with one another. In the old days, it used to be area studies where you study, [say], the geography of Southeast Asia and learn everything there was to learn about it. And part of that was the study of cartography—maps, and the history of maps. And then out of, sort of, people's interest in other lands and other people and other places, maps were just one of the tools that people used, and were one of the tools in the "quiver" that geographers used, if you will. And then most geography departments began to break down into divisions where you had people interested in physical geography, the physical landscape and how things were distributed and how they formed and so forth—offshoots of that being geomorphology, how various landscapes developed; other people who were interested in climate, weather and climate, and particularly climatologists. Many of the early climatologists were geographers. And then ultimately other specializations began to develop, such as human geography, how *people* are distributed across the landscape,

*why* they are. And, in recent years, I guess one of the . . . . Geography really became . . . . I'm trying to think of the right word: A miscellaneous category for a lot of social sciences. It became a discipline which hired *lots* of different people interested in *lots* of different things—but *all* related back to the physical environment, usually, in some way, and how people and things are distributed over the landscape.

So when I went to the University of Washington, I had always found geography fascinating. I just found it as a subject I was interested in other places, people, and things, and how things worked. And I always found economics—which is what my major was—boring. It was just, you know, charts and graphs and a lot of mathematical formulas. It was pretty boring stuff. And I was very interested in geography because it had a . . . sort of a generalist's background to it. I mean, there were *lots* of different things that we studied and looked at, and I found it fascinating—just intuitively interesting. And I decided at that point to sort of follow my own interests, rather than do what I thought others wanted me to do, such as be practical, get a business degree, and you know, go out and work in a bank. I really thought, "I think I'll go do what I want." And it's a good social science background/education, which sort of qualifies you for lots of things—anything and everything.

And so I started out at the University of Washington. I decided to go back to graduate school. I tried to be a planner, and I hated it after only a few months. And so I went back to graduate school and they asked me sort of, "What do you want to work on?" Well the first thing that came to mind was cartography, because I'd always been interested in maps, I'd been working with maps as a planner, and it just seemed sort of a natural way to respond. And I started to take a couple of courses, and frankly, found it not terribly interesting. And that's when I took a course on the conservation of natural resources, and I found this sort of interaction of physical processes, environmental processes, all the things that I had learned in physical geography and geology courses and weather and climate, and all these things that I had sort of learned: A sort of interaction of that with the political world, to be a terribly fascinating one. And the course that I took on the conservation of natural resources, I'd taken it as an undergraduate and then as a graduate, involved physical geography, geology, climatology, meteorology, political science, economics—there's just lots of different things sort of involved. And that, again, struck me as kind of interesting. It was sort of a collection of everything about natural resource issues.

It didn't take long for me to find out that that was sort of what I was interested in: natural resource policy issues. And, fortunately, I'm one of the few individuals I've ever met, that actually *does* what they studied in college, and has been able to pursue a professional career *doing* what I'm interested in doing, and what I studied in college as well.

Storey: That's interesting. There *are* only a few of us (chuckles) that get to do it,

yeah.

Beard: Very few!

Storey: That's very interesting. Last time when we were talking, you mentioned that while you were on the Domestic Policy Staff at the White House, that the "hit list" of Western water projects was in the process of being developed. And as I understood it, you weren't directly involved, but you were there watching. I guess the first part of my question is, Were you involved at the White House *with* Reclamation issues and water issues at all?

Beard: No, I was not.

### **"Hit List" in Jimmy Carter Administration**

Storey: Okay. And then the second part of it is, What can you tell me about the development of the Western water projects "hit list," and the people involved, and the political forces involved, and that sort of thing.

Beard: Well, what I'd say is, it's kind of interesting because it's never been written down. I've always found it interesting that nobody's ever taken the time to write it, and I thought it was an interesting chapter of the Carter presidency.

It really goes back to the summer of 1976. At that time, Carter anticipated he might be elected president, and they put together a transition team in Atlanta. And they put together a group of volunteers, essentially gave them the job of laying the groundwork for a Carter presidency, should he be elected. And they had a natural resource section, and there were at least two people involved, that I know of: one was Joe Browder, and Joe had been the founder of the Environmental Policy Center in Washington, D.C. He'd founded it in the early 1970s, and been the president of it. And he'd resigned and was one of the earliest supporters of President Carter. In fact, he had gone down, announced his support, and everybody said, "Jimmy who?! What's wrong with Joe? Has he completely lost his mind?" So Joe was there, and he'd resigned and his wife, Louise Dunlap, had taken over as president of the Environmental Policy Center, which she did until about 1988. So she ran it for twelve or thirteen years.

Joe was there, and then they hired another person by the name of Cathy Fletcher, and Cathy had been with the Environmental Defense Fund in Boulder, and had worked on Western resource issues. In the process of developing some of this transition material, Cathy, Joe and a number of other environmentalists, put together a background paper, which essentially said, "What we need to do is target a bunch of water projects which are uneconomic and environmentally destructive, for elimination for funding." And this document was prepared, circulated amongst various people, and was put into a document for the transition for the new secretary of interior after the election. Shortly after the election, Joe Browder resigned—there was

some kind of a tiff between he and the leadership of the transition. Cathy became the only person working on the Department of Interior. At that point, they called me and said, "Would you be willing to come down and help on the transition, to assist Governor Andrus?," although at the time, they didn't know who it was. And I said, "Sure." So we came down, and Cathy and I worked together to put together a briefing book for the new secretary of interior—at that time we didn't know who it was. So I did everything. We wrote little descriptions of the agency and then some of the major issues that we're facing and some of the policy questions, and then anything that the president had said about that agency or those issues was put in there. It was a collection of other background materials that the secretary might need. And it was rather thick—it was two or three inches thick.

And we worked in November and most of December on this document. Somewhere around Christmastime, Secretary Andrus was appointed. We met with his representatives—we did not meet with him personally—and handed them this briefing book and said, "Here's the briefing book from the transition, and we're here to help you however you want to use us." And so they took several copies of this briefing book back to Boise, Idaho, with them. At that point, this document was handed out to some of the staff people, and one of the staff persons named Joe Nagel—Joe worked for Cecil Andrus in various capacities. He worked here in the Department with him, and then when he became elected governor *again*, he went back to work there, and he presently works there. He's sort of head of the Idaho EPA [Environmental Protection Agency]. They had a rule in Idaho that anything prepared with public money was a public document, available to the press. And so some enterprising AP [Associated Press] reporter came into Joe's office and said, "What's that?" "Oh, that's the briefing book from the Interior Department, you know, the new interior secretary." And he said, "Oh, good, can I look at it?" And Joe said, "Yeah, sure, go ahead." So this AP reporter got about three hours with this document when they suddenly realized what they'd done, and they ran down and took it away from him, but of course the damage had been done. He wrote an AP wire story saying, essentially, "the administration recommends a 'hit list.'" Well, you know, the you-know-what hit the fan, and (sigh) there was a lot of, you know, stories, but it kind of got buried. And then the Inauguration came, the president was inaugurated, and this document was then floated up to the president as part of the budget exercise that we went through. The Ford Budget had been sent up to The Hill, and in early February we met with the Carter [Administration] about changes in the Ford Budget that would reflect the Carter Administration policy. And CEQ [Council on Environmental Quality] and OMB [Office of Management and Budget], which had put together a list like this every year for the last ten years, and every year it would get to the president and the president would say "no way." They sent a different version of this "hit list", but essentially it was a "hit list" that basically said, "There's very little justification for the following water projects, and we ought to terminate our funding of them." So this went up to the president, and they had a big meeting. About twelve cabinet officials

were there, and senior advisors: Stu Eisenstadt, Secretary Andrus, Secretary of the Army Alexander, the OMB Chief—Burt Lance at the time, and a number of other people. And essentially, there were twelve votes for *not* proceeding and one vote for proceeding. And the one vote was Jimmy Carter's, so they proceeded to announce that they were not going to fund these projects any more. Well, “the rest is history.” All these congressmen and senators responded in *incredible* fashion. I mean, you know, they just made complete fools of themselves. And the administration was then off on a very bad footing with the Congress and [it] sort of all went downhill from there. Secretary Andrus and Secretary Alexander were then directed to review each project, and they did. They went through, and, you know, “You have to tell us whether our project is good or bad, or ever going to get on the list.” And so they went through and reviewed *all* the water projects that were under construction, and that exercise, the water project review exercise, went on. But I think, initially, the damage was done, once you got into it.

It was really an unfortunate series of *faux päs*, that if handled better, could have had a lasting impact on policy. But unfortunately, it was handled badly: the “hit list” was arbitrarily released, through no devious reason, it just happened. And then when the president made his decision on the Budget, that wasn't handled very well either. So, we suffered. I really think the next three-and-a-half years we really suffered from those decisions, because the president pressed the issue in the Appropriations Bill, and then they compromised and put some of the money back in, and he vetoed the bill once, and then they sustained his veto and then he should have really stuck to his guns. And I think in his biography or in his book on the administration, he admitted that he shouldn't have given in to the pressure—he should have held firm to the principle, and he would have won. But unfortunately he didn't, and that's just sort of the way it goes.

Storey: Did I hear you correctly that you understand that a similar type of list—maybe not the exact same list—had been presented to the president numerous times before?

Beard: Numerous presidents, yeah. President Nixon and President Ford had *all* received lists. And they were prepared by OMB and they were prepared by CEQ, where they said, “For policy reasons or budgetary reasons or environmental reasons, we recommend you not fund these projects. That we terminate, we get a handle on it . . . .”

Storey: And stop funding this kind of activity?

Beard: Stop funding this kind of activity or project. But every time they'd send it up, the president would look at it and say, “That's very interesting, but no can do.”

Storey: And the presidential reaction was for political reasons?

Beard: Sure. Not because they were . . . . I mean, you know . . . . It was political, and that's the reason that when President Carter looked at the issue—I mean, there were twelve people that told him, "Don't do this." And Vice President Mondale sat there and said, "Don't do this. I'm telling you, these are the pet projects of a lot of senators and congressmen, they believe *very* strongly in them. You can't do this. It'll destroy us politically. It'll destroy our relationship with the Congress." And yet the president decided to proceed.

Storey: And if I understood what you said correctly, you were saying that that was a major turning point in the Carter Administration from your perspective in terms of . . . .

Beard: Well, there were a lot of things that happened in the Carter presidency that sort of led to . . . . You know, there were a lot of "wrong turns." But, you know, that certainly was *one* of the things.

Storey: This was one of the major issues.

Beard: This was one of the major issues that he suffered. What happened was, that we did this, and it started this philosophy of the "War on the West." You know, that "Jimmy Carter didn't win any of the Western states, so Jimmy Carter was out to get the West." And that was sort of fed by the sort of paranoia of a lot of Western politicians, and so they got this concept of the Sagebrush Rebellion and the "War on the West," going. It took root, and it took root largely because—I think—because Lyndon Johnson once said it in his biography: "That the people of this country cannot accept a president with a Southern accent." There's just something . . . . And, you know, I grew up in Washington State. There's just something about a southern accent that bothers a lot of people from the West and Midwest and Intermountain West. You know, there's just something that just makes it difficult for them to identify. I don't know what it is. But I really felt that this concept, the "War on the West," was one that, you know, the Intermountain states sort of jumped on it, politically, and said, "Yeah, that's right, Carter didn't win any votes here, so he didn't win any of these states, so he's out to get us." This was one of the major elements in that concept. Actually, when you look at the record of what happened throughout the Carter Administration, we started off badly—dug a big hole and jumped in—and then we spent the rest of the four years trying to climb back out of this hole on water issues. And if you actually look at the numbers, the Carter Administration spent more money on water projects. . . . We decided our policy at that point was, "Whatever we're going to go ahead and build, then we're going to *build*. And we're going to try to *buy* support from the Western senators and governors and . . . ."

END SIDE 1, TAPE 1. SEPTEMBER 7, 1993.

BEGIN SIDE 2, TAPE 1. SEPTEMBER 7, 1993.

Storey: Let's see, we were talking about . . . .



Beard: The “hit list”.

Storey: The “hit list”, yes. I’m sorry. You, soon afterward, or fairly quickly, transferred from the Domestic Policy Staff, over to being assistant secretary for land and water resources, and last time you . . . . (Beard: *deputy* Assistant Secretary.) Oh, *deputy* assistant secretary, excuse me. And you mentioned that you’d been involved, for instance, with the Garrison Project, the Animas-La Plata. All of these are still projects that are around. Could you tell me a little bit about your involvement and how it came up and what you were doing from *that* particular seat on those projects?

Beard: Yeah, I left the White House for personal reasons. My wife and I had kids that were two and four at the time, and I would go to work—generally I got to work about 8:30 [A.M.], which meant that I was one of the first people in the building, and I would generally leave to go home at about 8:00 or 8:30 every night. And it also meant I was one of the first people to *leave*. These were all people who had worked on the campaign. And I think I was one of two or three people that was married, on the Domestic Policy Staff—most of them were single, young people. President Carter was trying to respond to the imperial presidency of Richard Nixon, and he was hiring mostly people like myself: they were in their early thirties, they were knowledgeable people, but we were knowledgeable on a subject area, but I don’t think [we] were mature politically. And it was really a gut-busting exercise. It was *very* long hours, a *great* deal of pressure. And when you work in a place like the White House, an attitude develops very quickly about “us versus them.” You know, you work your *heart* out, all day long, and then you release something, and then half the people in the country don’t like it, and half of them do. And you’re in this fortress, literally—people can’t get in to see you, unless you let them come in. There’s *tremendous* demands on your time. The issues are big. For the most part, you don’t know a damned thing about them—you’re just sort of like a Ping-pong ball bouncing on top of the water. I mean, you literally are just . . . . You have a little bit of knowledge about a lot of things, and you’re just sort of flitting around. And so it’s a very, very frustrating place to work. And I found that when I went home every night, my wife would say, “Well, how was it at the center of power in the world?”—you know, the White House—and I’d sort of look at her and say, “Ah, yeah, everything’s okay. I got to go to bed.” You know? So my kids were asleep when I left in the morning, they were asleep when I got home at night, generally we worked Saturday, sometimes Sunday. It was a very grueling exercise, and very little communication with my wife—not because we didn’t communicate, but, you know, it was just . . . that’s what happens with that job. And one day she was standing at the stove and her hand started to shake, and she couldn’t stop it. She phoned her neighbor and she went over to the health plan, and essentially they just told her that she was just reacting in a nervous way to the pressure and the fact that I was gone all the time and all the rest of it. And she had the demands of having very young children. She was home with them all day, and so she never got any relief, and you know, just the whole thing.

## Becomes Deputy Assistant Secretary of the Interior

So I really decided at that point—this was May—that I wasn't going to put my family through this any longer. Now, in retrospect, who knows whether or not you make the right decision? But in retrospect, what happened was, that shortly after this, about a month later, once all the policy officials got in place in all the agencies, things got a lot easier at the White House Domestic Policy Staff. And in the period February-, March-, April-, May, essentially, the White House performed most of the policy functions of the new administration. It happened in this one, and it happened then.

But anyway, when I had been helping with the transition on the Department of Interior, Secretary Andrus had offered me a job. He said, "If you would like to come to work here, we would love to have you." And he had also offered Cathy Fletcher a job. And so I called in late May and said, "Is the offer still open?" They said, "Yes." I came over, I interviewed for a job as the deputy assistant secretary for Land and Water Resources. Guy Martin was the assistant secretary, and there was another deputy who was also hired, Gary Wicks, who'd been the director of the Department of Natural Resources for the State of Montana. So I was hired and I came over somewhere around the first of June in 1977. And Gary Wicks had come to town, and so we met with Guy Martin, and Guy had been the director of natural resources for the State of Alaska, and he was the assistant secretary. So we had a meeting and we came in and we sort of said, "Okay we got to figure out who's going to do what here." Because that assistant secretary at that time had oversight over the Bureau of Land Management, the Office of Water Research and Technology, the Water Resources Council, the river basin commissions—which were in existence then—and then the Bureau of Reclamation. And we decided at that point. . . . We sat down around this table and Gary Wicks said, "Well, I don't know how we're going to divide it up, but if you give me water, then I'm going to go home, I'm not going to come to Washington." And (chuckles) I sort of looked at Guy and said, "Well, geez, I don't know anything about water. I'm happy to do it, what the heck?" Because by this time, the president's "hit list" had been announced, the water project review had been completed, and then the complaint was from the Western states, "Well, what's your policy?" So they had started a water policy review as well. So I said, "Fine, I'll work on it. I don't know the first thing about it, but I'll learn." And that's really how I got into water resources, because another person refused to do it. And he knew a lot about it, and he knew enough that he didn't want to stay involved in it. Gary's kind of an opinionated guy anyway, but essentially, that's how I got into the issue.

And I started out, and Keith Higginson *was* the Commissioner of Reclamation. He had been appointed the Commissioner in March, I think. And he had been selected by Secretary Andrus. At the time it was a secretarial appointment—didn't require a Senate confirmation. And the secretary had come to Guy and said, "I want to hire Keith, but if you don't get along with him, then I understand." And Guy was desperate at that point:

he had, sort of, nobody to help him, and he *welcomed* the opportunity to have anybody who was knowledgeable, and so Keith came in and I started out, essentially, from ground zero, trying to learn the program and work with Keith and work on finding my little niche.

The primary thing that I did, the one thing that I felt best about, was to handle the President's Water Policy Review Task Force. We had a series of task forces that reviewed all kinds of things. And then out of that came, in 1978, President Carter's National Water Policy Review Statement, out of the White House, and enunciated a number of policies, many of which we're still following today. Then we set about implementing them. But, you know, as a deputy assistant secretary, you work not only on those policy matters, but you work on all kinds of things. Essentially, you testify, you give speeches, you go to meetings, you work on the individual project issues—particularly the policy part of it—and you're a secretarial official: you have to approve contracts and other kinds of formal documents. It was a very busy period. I found myself . . . I slowly became very fascinated by water resource issues. I became knowledgeable, because you *have* to become knowledgeable very quickly. And I became knowledgeable not so much in a policy sense—I looked at the whole program and I was constantly working with the whole program, and I had a perspective where I sort of looked on top of the agency, never down, you know, in the midst of it. And it was that way for three-and-a-half years. I thoroughly enjoyed it.

Storey: When you say you “looked at the top of the agency,” that's a different perspective, of course, than I have. But I'm interested in where, for instance, the Commissioner of Reclamation's responsibilities are, as opposed to the deputy assistant secretary, as opposed to the assistant secretary. How's that divided up, as to who does what?

Beard: (sigh) Well, there's no textbook, and every Commissioner and every assistant secretary does it differently. In the 1960s when Floyd Dominy was Commissioner, nobody was in charge—*he* was in charge. And above him there was only God. I mean, Stuart Udall, who was secretary of interior, didn't have anything to do with Floyd Dominy—he could have cared less. And there's many stories about Floyd Dominy, about how he would go meet with the secretary and come back and say, “That fool doesn't know what he's talking about.” Like any autocratic, dictatorial people who are in charge of something, they're usually followed by somebody who's as quiet as a church mouse, and he *was*. Gil Stamm followed, and Gil Stamm was a very quiet, sort of meek fellow that didn't really have a lasting imprint on the organization.

And then Keith came in, and Keith was a very knowledgeable person, but he came in at a time when the program. . . . Several things had happened, most important being [the failure of] Teton [Dam]. Teton had happened, and Secretary Andrus was *determined* to get rid of the head of the Design Section in Denver. He just said, “That guy's going. If I'm going to have any lasting

impact here, I'm going to get that guy out." And he did retire shortly after Secretary Andrus became the secretary. And then when the president announced his "hit list," the policies of the Bureau of Reclamation went from being sort of obscure issues that are of concern only to westerners, or to a few senators and congressmen, to being high visibility, high priority issues of concern to the president of the United States and all the apparatus that surrounds the President of the United States. So when Keith came in, Keith found himself in at a time when the President, the Vice President, the director of OMB, the White House personnel people, the CEQ, the secretary and the assistant secretary were *all* sitting around looking at his program, determining the future of the program. You know, talking about the policy of what kinds of projects should they build, or should be built—where should you go with the organization, and all the rest of it. And it was all out of Keith's hands. He had no control over it at all. And within the organization itself, he was the only political appointee. So you had a program under assault, with a lot of people who'd been there many years, most of whom—well, all of whom—had cut their teeth with Floyd Dominy, in an era when you were independent, you didn't *care* what policy officials felt—it was none of their business, "We're in charge." And so he found himself in this very difficult situation where he was sort of all by himself in charge of 8,500 people, I think, at the time, and they were off sort of on their own, doing anything they wanted. All the policy officials within the administration were off doing *their* thing, mostly responding to a completely new direction, and tempo, and set of initiatives. And he was sort of split every which way. So it was a very challenging issue. As we got into it, and as the administration got in and got sort of stabilized, for the most part, assistant secretaries concerned themselves with, "What are the policies you are pursuing? What are the kinds of activities? What are the major issues?" For example: What's happening in California? Inevitably, in the politics of Reclamation, California floats to the top, because it's the biggest project, it's the biggest state, it's the most controversial. Inevitably, something rolls to the top about the Colorado River, just because it's just sort of the way it is. But those two issues . . . . And then generally the subsidiary issues usually surround large projects that are either in trouble or under way, such as the Central Arizona Project, Central Utah Project, *anything* in Colorado which is generally where the politicians are overly-responsive to the water lobby and the water lobby and establishment. And then sort of other large projects like the Garrison Project.

But we generally stayed out of personnel issues, which we left to Keith— what I would call minor, sort of day-to-day decision-making is not something that assistant secretaries or deputy assistant secretaries get involved in—you can't, because that's not your job. Your job is to deal only with the policy issues: What *kind* of contracts should we be signing? What's our stance on this legislation? Should we support it? oppose it? who's going to testify? So generally you tend to stay at a very high level within the . . . . You don't get involved in day-to-day decision-making, but you do get involved in decision-making that affects policy for the organization or the

administration. And it's not a clean-cut kind of a line. It varies. We tended to have greater day-to-day—we tended to oversee issues more carefully than any assistant secretary had in the past—ever. But that was just the nature of the politics at the time. I mean, Floyd Dominy had been there, nobody in the assistant secretary's office ever said *anything* to him. The person who preceded Guy Martin as the assistant secretary, he didn't really care about those issues—he cared about BLM [Bureau of Land Management]. So he didn't pay much attention to Reclamation issues. Now, when *we* came in, we *had* to pay attention to them, because the President of the United States was involved in it, and so, as a result, we *did*. Once the 1980 election came, again, there was this sort of . . . . Watt's approach was basically to delegate back to the agency head, and allow the agency heads to oversee quite a bit of the policies, as well as day-to-day stuff.

So each secretary, each president, each assistant secretary, does it differently.

Storey: So in large part, it's a function of the way personalities interact—is that what I'm hearing?

Beard: Yeah.

Storey: As well as responsibilities, that everybody has in general.

Beard: Yeah. For the most part, it's personalities. And just each one does it a little differently. In many cases, you're just responding to the tenor of the times. The Andrus administration: Andrus came in and he appointed everybody in the Department of Interior. He decided who were the assistant secretaries and the agency heads, and the deputy assistant secretaries and special assistants, and everybody. He controlled it all, and he was very responsive to the needs and interests and desires of the president. But he decided it all.

*This* administration, the Clinton Administration, has done it completely different. They've come in and they've approved *everybody* through the White House. So I have, for example, pending since March, a recommendation to hire somebody as a special assistant to the commissioner of Reclamation, and they haven't approved this person yet. I'm still waiting. Kind of giving up hope (chuckles), but it's one of those things where *everybody* is approved. And *I* had to be approved by them. And as a result, your loyalties are less to the secretary than they are to the President, although clearly I didn't get the job because . . . Secretary Babbitt and I know each other. Clearly I didn't get the job because he disliked me, but he had to approve. But nevertheless. . . .

You know, each one does it differently, and the *result* is different. And the politics and the way you respond just has to do with the tenor of the times.

Storey: What about your location while you held these jobs? In the Domestic Policy Staff, were you in the Executive Office Building at the White House?

Beard: Yes, the old Executive Office Building, yeah.

Storey: The old War Department, I think?

Beard: Right.

Storey: And what about as deputy assistant secretary for land and water resources? Where was your office then?

Beard: I was on the Sixth Floor in . . . . What Corridor is this?

Storey: But here in Main Interior?

Beard: Yeah, the Main Interior Building. One floor down, and the other end of the building.

Storey: And the secretary of interior is in this building also?

Beard: Yeah, Sixth Floor, at the far end.

Storey: So is the whole Sixth Floor the secretary's offices?

Beard: No, the assistant secretary for water and science and land and minerals are on the Sixth Floor. The Solicitor is on the Sixth Floor. The assistant secretary for PMB [Policy, Management, and Budget] is there on the Sixth Floor. But then territories, assistant secretary is, I think, on the Fourth, as is the parks—assistant secretary for parks and wildlife. And then on the Fifth Floor is the assistant secretary for Indian affairs. So they're spread out all over the building, but we've had this . . . . Bureau of Reclamation has been in the same suite of offices since the last forty years, as far as I know.

Storey: Does location in the building say anything about the agency or the people?

Beard: Oh, I think people *like* to think that it does, but I don't think that it does. I mean, we're on the Seventh Floor, and the secretary is on the Sixth, and they used to make jokes about how that meant that Floyd Dominy was . . . you know. I sit right on top of my assistant secretary: she's on the Sixth Floor, right underneath my offices here. And everybody sort of made a big deal about how that . . . . You know, the symbolism of that. But I think that's a crock, because actually the Sixth Floor is, because of the nature of the building, actually those are bigger suites. I think that's why they put people on the Sixth Floor. And also to be close to the secretary.

Storey: Of course you had the "hit list" under the Carter Administration, and that, as it evolved, became policy for the administration. Yet, at that time, we had a

Western secretary of the interior. Do you have any perspectives on how his being a Western former governor influenced the way he implemented the policy that was being enunciated out of the White House?

Beard: Well, I think a number of things about the personalities: one is that Jimmy Carter was . . . . How do I put this? Jimmy Carter was an eco-freak. Jimmy Carter was the strongest environmentalist who's ever been elected President in our history—and probably will be the strongest environmentalist ever elected for a long, long time. He was a genuine eco-freak. He was green through and through. I'm not quite sure *why*, I think maybe it has to do with the fact he was a farmer, or whatever. But we used to send him stuff, when I worked at the White House, send stuff up to him, and he picked the environmentalist side of things every time he looked at it. And then what had to happen was that he was always over sort of on the left of the political spectrum, or the environmentalist's side of the spectrum. And then Cabinet officials and the Vice President and advisors and stuff would try to pull him back towards the center. As somebody once said in a meeting that I was at over there, "Don't send *this* option to the President—he'll select it!" And of course, that's what happened a lot. Cecil Andrus was a much different person. Cecil Andrus was a Democratic politician from a Republican state. This was a man who—still *is*—I mean, he's still alive today, and *governor* today—but he is a genuinely artful politician. He was a superb administrator, a *wonderful* person to have as a boss, *terribly* supportive: when the shit hit the fan, he was there with you, every moment of the way. There were a couple of times when I made mistakes, or I was in very *difficult* situations, and he stood there with you. It was incredible to watch. He was an absolute rock, and a *wonderful* politician. And especially, a good politician where he was *used* to being in the minority. In other words, he was a Democrat in a Republican state, and he was used to having a Legislature which was a Republican Legislature, and getting his agenda through that Legislature. That's not easy. But he was used to that. And he understood the Intermountain West. And he understood the problems that the governors and legislators from those states have, and how they reacted and why they reacted how they did. I don't think President Carter understood that at all, but that's why he had Secretary Andrus in the Cabinet. And Secretary Andrus was a superb politician in that regard. I think he exhibited the same traits, really, that Bruce Babbitt does. Secretary Babbitt is, again, a superb politician. He's somebody who *fell* into the governorship and sort of found himself in this situation, and he, with a very conservative state and a conservative Legislature, and he managed, over the years, to get his agenda implemented—and it's not easy. It takes a special understanding of who you are and listening to others and trying to accommodate their interests and so forth. So *both* periods have been very interesting.

Storey: But how did Secretary Andrus's unique understanding of the West influence, for instance, the way he dealt with the water projects in the West?

Beard: Well, I think the first thing is, he could go back to politicians and say, "Look,

I'm one of you. I understand what your problems are, I understand what you need. You can trust me." And you *could* trust him. He was the kind of politician who, if he gave you his word, it was golden. And he could communicate with them in a way which the President couldn't. Many of the governors at the time—Secretary Babbitt was a governor at the time—Governor [Richard] Lamm, Governor Jerry Brown, and others, really found a difficult time communicating with the President. He was a very difficult . . . . He was not filled with warm and fuzzies. He was not that kind of person. And Secretary Andrus *was*. The secretary of the interior has usually served the function in the Cabinet of being the conduit for communication between the administration and the Western states. That's always been one of the jobs of the secretary of the interior. And when I say "the West," the West really outside of the Pacific Rim states: I mean California, Washington, and Oregon. They generally serve that communication link function with the Intermountain states. And that's why most secretaries of interior have been from those regions.

Storey: I guess maybe I'm not asking this question properly: Did he put any particular "spin" on the policy that was being created by the President?

Beard: Constantly. I mean, everything that we were doing, everything that we did every day. The decisions that we took up were really impacted by him. I mean, he, for example, decided that the most important thing that we could do as an administration, was to deal with the problem of Alaska lands. I mean, that was really the most significant accomplishment of the Carter Administration and natural resource policy-making in those four years, was the enactment of the Alaska Lands Bill. I mean, it *doubled* the National Park System, it doubled the Fish and Wildlife, the refuge system. It quadrupled the amount of wilderness. I mean, you know, all this kind of stuff—you know, all the superlatives. And Secretary Andrus decided those . . . . He was the person sitting around sort of deciding where we were going and why we were going there. That's the function of somebody who heads an organization: you *set* the agenda, you *set* the priorities, you *decide* the priorities. And that's what leadership is all about. Leadership is trying to control events so that *you* get your agenda taken care of. You know the last secretary of the interior, Secretary [Manuel] Lujan, I remember coming down here *several* times and meeting with his staff, and I would say, "Well, what are you doing about this?" And they'd say, "Oh, that's a problem! And we're creating a task force to respond to that." I'd say, "Well what are you doing about this?" And they'd say, "Well, that's a problem. And we've got a task force working on that." Well, it was sort of like they all sat around in the bunker and then when an incoming shell came in, they would say, "Oh, well we need to respond to that," or "we need to put the sandbags up a little bit higher." *That* isn't leadership—*that's* responding. What leadership is, is being out there in front, initiating and having other people respond to *you*. And that's a very difficult thing—it takes some talent, because first of all, you have to decide what it is you're going to do. What *is* it that you want to try to do? What is your agenda? And a lot of people don't have any idea what



their agenda is. Secretary Lujan never did his job, and that's what President Bush's problem was all about, was the "vision thing," which they talked about in his campaign. The vision thing, the problem was, he came in and he sat down, and he was President, and he was waiting for things to happen, and then he'd respond. Well, you can't do that. At least *I* don't think you can. I think you have to initiate. You have to set an agenda, you have to *make* things happen.

END SIDE 2, TAPE 1. SEPTEMBER 7, 1993.  
BEGIN SIDE 1, TAPE 2. SEPTEMBER 7, 1993.

Storey: This is the second tape in an interview by Brit Storey, with Commissioner Daniel Beard, of the Bureau of Reclamation, on September 7, 1993.

Beard: Politics is motion. You set things into motion, and other people respond to *you*, and that's really what leadership is all about. And I think Secretary Andrus understood that, and he served as a communicator with the Western states and initiated his own agenda—issues that he wanted to pursue.

### Reorganization of the Bureau of Reclamation

Storey: One of the things that's struck me as I've interviewed various people through the agency is that they tend to sit in the present and say, "We should have recognized the trend sooner." And in this case, the trend is that Reclamation was *not* going to be building so many large water projects in the future. As a matter of fact, it appears that that trend, historically speaking, was beginning to show up in the sixties.

Beard: That's right.

Storey: And that the "hit list" under Jimmy Carter was just another manifestation of that trend in Reclamation's history, yet it wasn't until 1987-1988, for instance that the agency began to reorganize. Could you comment on why the agency was so slow to recognize that trend from your point of view?

Beard: Because it's a bureaucracy. That's *my* belief. You're correct, the trend started in the 1960s. The moment the environmental movement started, for the most part, the program as it was originally envisioned, was doomed. And what we've been fighting over for the last twenty-five years is really, we've been fighting a transition from one type of program to another, and it'll probably take us thirty years to make the transition. But somewhere in the late 60s, public attitudes and opinions changed, the best sites had been selected, money became tight—you know *all* the various things that happened. But I think for the most part, it's *very hard* to ask a group of people to look at themselves, honestly appraise who they are, where they are, and where they're going, and all the rest of it, and then change their behavior accordingly. It's damned-near impossible to do. I have always been surprised, I guess, in the inability of leaders within the organization, the

executives within the organization—*their* inability to see the change. I can understand a GS-11 planner in Sacramento . . . . They're looking at just a small portion of the program. But when you're an assistant commissioner and you're looking at the entire agency, for example, you should see that, and you should see that trend. I think we tended . . . . In a bureaucracy, I guess, that's just difficult to get people to focus on that broader perspective. But they should have seen it, and certainly that's what was occurring, and it's unfortunate they didn't see it earlier.

Storey: How do you think Reclamation is doing in making the transition? That it finally, you know, pretty up front, I think, identified in '87 and '88. . . .

Beard: Well, I think that, you know, we're pretty far into it now. I mean, we're fifteen years into it, and I think for the most part, it's responding very well. Certainly since *I* came in the door, I think. I've had meetings with the Executive Management Committee, for example, and we've just had the CPOR, you know, the Commissioner's Program Organization and Review Team document that's just been issued, which essentially says we no longer should be a water resource development agency, we should be a water resource *management* agency. Last week I concluded a two-day review of that report with the Executive Management Committee. And it was interesting, there wasn't one single person in the room who said, "That's not right." *Everybody* said, "That's right, that's what we should do."

Now comes, I think, the hard part. We now have all the executives within the organization in agreement about where we are headed as an agency. Now I've got the difficult task, *I* think, of trying to convince all the people that are underneath them, where it is we're headed, and how we change the culture and the outlook and the perspectives of people that have been doing things one way for the last twenty years. You know, it's awful hard to change course in one month—it's almost impossible.

Storey: And there's a great deal of tension among the staff about how it's going to affect them, and so on.

One of the other factors that's going to play into Reclamation as it evolves into the future are, for instance, the recent report that came out from Secretary Babbitt about using Reclamation for engineering expertise within the Department, I believe, and that sort of thing. Do you have any thoughts on that? And I understand there's supposed to be a report due today from the secretary's office about further reorganizational data . . . .

Beard: No, the document you were referring to was a recommendation in conjunction with the '95 Budget process where we looked at a whole series of things within the Department about how we might consolidate services and save money, and one of the consolidation requests was really that we consolidate engineering services and how Reclamation might play into that. And then the reference today is to the issuance of the National Performance

Review Report by Vice President Gore, *Reinventing Government*, which is going to come out today.

I think that—just to go back for a second to my philosophy—I think those of us in government at this particular point in time have to recognize that there are two constants, two immutable facts which will never change. I mean, in *our* professional lifetimes, these two things are going to be constant: and they are, that we're going to have less money, and we're going to have fewer people. And yet we *know* we're going to have more responsibilities. So the challenge for us as executives in an organization is, "How can we do more with less?" And we have just reached the point in government where you *can't* go to Capitol Hill, you can't go to the American public and say, "Hey, you know, I need a thousand more people to be able to do my job." The "Reagan Revolution came," and Reagan won. President Reagan revolutionized government, and he revolutionized it by moving \$700 billion out of social programs and put it over into the military, and lowering taxes, particularly on wealthy Americans. And what's that done is that it's meant the discretionary portions of the Budget have gotten smaller and smaller and smaller. And we now are entering into an era in which—and then he bad-mouthed government. And so what you had is fewer dollars and a tone which really was very mean to government service. You don't have a lot of people wandering around now saying, "Gee, what *I'd* like to do for a living is be a government servant." It's not the kind of tone that came out of the 1980s. I don't happen to agree with that, but that's neither here nor there. We have to recognize within the Bureau of Reclamation that we're going to have to do our jobs, we're going to have greater responsibilities, and we're going to have to do it with fewer people and less money.

Now, What about our job? I think we have to recognize that the services that we historically performed—in other words, a residual of engineering talent and expertise is diminishing. It's a product that's in smaller and smaller demand. In 1902 there *was* no collection of engineering talent and expertise in the private sector or in the public sector. So by pulling people together, Reclamation performed a *tremendous* service, and for many years, we *were* a center, an *important* center. But you know, there isn't one single thing that the Bureau of Reclamation does today that isn't done by the private sector? Not one single function. And so we *have* to really ask ourselves, continually, "Who are we and what is it we do?" Because our functions, the functions that we perform, are just as easily performed by the private sector. What is it that's unique to us as Federal employees in an organization which, under its *original* charter, is no longer . . . . You know, our original charter has now been fulfilled, our original mandate has been fulfilled. And I have always felt that the *collection* of engineering and scientific knowledge that we have in Denver, for example, ought to be a means to an end, not the end itself. Many people in the last few years have continually talked about how we need to go out and find work for these people, we need to keep this group or collection of people together. We need to keep them employed, we need to keep them . . . employed and together as

an organization.

Storey: Busy?

Beard: Busy. And if we don't have the business for them, then we ought to find it elsewhere, and we ought to go to EPA [Environmental Protection Agency] or DOE [Department of Energy] or anybody else and get it. I just think that's the wrong way to look at it. If the taxpayers of this nation suggest that—you're spending their money, and if we no longer have a need for your expertise, or the expertise of a certain group of people, there's no reason why we have to keep that group together. Things change, *life* changes, and there's ebb and flow. And at some point we've got to recognize that we need to move on, that we no longer need to have this large collection of people, which has a wonderful history and a proud tradition, but frankly, times are changing. And so it's hard to say that to people, but I think that it's a very important consideration for us.

Storey: When you worked for Senator Baucus in the early 1980s, were you involved in any water projects? or was *he* involved in any particular water project that involved Reclamation that you remember?

Beard: No, none at all. I mean, I was hired as his Chief of Staff. As a Senate Administrative Assistant or Chief of Staff for a senator. You only do two things: you fund-raise and you do a little bit of managing of the staff. I mean, for the most part, all I did was raise money for his re-election campaign, organize the re-election campaign, make some personnel decisions, and a few policy cuts here and there, but was not involved in any water resource activities.

### **House Interior Subcommittee on Water and Power**

Storey: After that, though, you left and became staff director at the Subcommittee on Water Power and Offshore Energy Resources. The first thing I'd like to ask you about that is—How does a subcommittee relate to a committee? Each has a staff director, and I presume there's some subordinancy involved, but it's the same kind of question I asked you about being the deputy assistant secretary and being the commissioner. How are responsibilities laid out and where are the gray areas and so on?

Beard: Well, in the House of Representatives, any bill that's introduced has to be referred to a committee, and then once it's referred to a committee, it has to be referred to a subcommittee. And legislation can *only* be moved—and then legislation can only then be moved out of that subcommittee, if the chairman of the subcommittee agrees to move it. And the subcommittee can only meet if the chairman agrees that it should meet. So as chairman of a subcommittee, you have a tremendous amount of power. You control all the legislation referred to your [sub]committee, and you control the gavel. You control whether that subcommittee meets and what it meets about, and if

somebody disagrees, that's just tough luck—even if it's the full committee chairman. The full committee chairman has power over you, because once you report out a bill, you *are* a subsidiary group. The legislation is sent to you, and then if you say, “Oh, yes, we want to move this legislation” and you report it out to the full committee, it doesn't move in the full committee unless the chairman of the full committee agrees to it. So when George Miller became the chairman of the subcommittee, it was called the Subcommittee on Water and Power Resources at the time—this was 1985 and '86—it was renamed subsequently—we set the agenda.

And I did a number of things there that I thought were important: the first was that I knew . . . . There were only three people on the staff: there was myself, Steve Lannik [phonetic spelling], and Lori Sonken, and the three of us worked together on that subcommittee. Now I knew at the time that I couldn't agree with the water resource development interests about issues. So I really felt that I had to make myself accessible and open to meet with the various water interests at any time—and I did. I met with them any time they wanted to meet with me, any place: So that while I would disagree with them on policy, at least I would never be accused of being, you know, “The S.O.B. won't even meet with us,” kind of thing. And so I wouldn't get hit on procedure. For the most part, I think that served me well in the eight years that I was with the committee.

But when I got to the committee, we really decided, since George [Miller] basically had a very strong environmental point of view, and frankly was opposed to a lot of water projects, although there are water projects that he was *for*—we had to get in and show that we could reformulate projects and deal with things in an effective manner. So the first thing we decided to do was to hold a hearing and take on the Garrison [Pick-Sloan Missouri Basin Program. Garrison Diversion Project] issue and the Garrison Reformulation Legislation. The Garrison: There had been a commission established in the Appropriations Bill the year before, a commission had studied and come out with a recommendation on how to reformulate the project. And so we held hearings at the end. I took the job on the first of February, and we held our first hearing at the end of February on the Garrison Project. And we also looked at the North Loup Project [Pick-Sloan Missouri Basin Program] as one to look into, but we decided not to do anything with that—instead moved ahead with the Garrison issue. And it took us most of a year to get it done, but we did finally reformulate the project and passed legislation, signed by the President, to reformulate it.

But what you *do* as a subcommittee staff director, my job is, you know, I would sit down and I would say to him, “Okay, here are the bills that have been introduced and referred to our committee. Here are the oversight issues we might want to look at,” and we actually sat down and worked out an agenda: “We ought to hold hearings on the following issues, I want to give priority to the following things.” And then my job was to go out and get all that done. So we would schedule the hearing, schedule the witnesses, draft

the legislation, draft the testimony or the statements that he would make. And it was a staff capacity: you basically did that. And we did that for the first two years.

And then Chairman [Morris] Udall gave our subcommittee jurisdiction over Alaska lands issues and the Outer Continental Shelf, OCS leasing. And so we changed the name of the Subcommittee to Water, Power and Offshore Energy Resources Subcommittee. And we then hired three additional staff people: Jeff Petrick, and Charlene Dougherty, and Sharon Kirby. They were there. About a year into that, Lori Sonken, who'd been with me originally, left and went to Los Angeles to go into the movie business or something, I don't know. And a fellow by the name of Dan Adamson came in and took over her spot. And really, for the next six years, or five-and-a-half years, I worked with those people and they were the staff of the subcommittee. It was a very stable staff, very capable group of people, primarily because George was such an easy person to work for.

Storey: And you had a wide variety of topics that came up: agricultural drainage, Indian water claims, California water projects operations. This is a professional staff, as opposed to a political staff, for the Congress, is that right?

Beard: No. (Storey: Oh. Okay.) Everybody who works in the House of Representatives or the Senate is a political appointee. You serve at the pleasure of the member who hires you. So if George Miller didn't like us, or if George Miller was defeated, then we were gone.

Storey: I guess I'm not phrasing the question properly: Don't people generally make a distinction between people who are serving as technical professional staff and people who are political staff to the congressmen in their offices?

Beard: No. I mean, my job, every day, when I came in, was to make George Miller look good. That was my only job. Now, *technically*, I knew the programs, I knew the issues, and I knew who to call, but I wasn't a scientist or anything. But I was there to handle technical questions as well as policy and political questions. Now, there are people who spend their time just worrying about politics, but everybody there has only one job, and that is to do what your boss wants you to do. That's the nature of the political process. Your job is to come in, make your boss look good, get done what they want done. And I never really tried to . . . . There are very, very, *very* few committees where you have that kind of a hiring practice. Some of the appropriations committees, maybe the Ways and Means Committee, or the Finance Committee would have some obscure tax expert who's there as a chief economist or something. And I know that the intelligence committees hired people, notwithstanding their politics, but based on their technical competence. But there are ten thousand people who work on Capitol Hill and you can count almost on all your fingers and toes the number of people that fall into that category. All the rest of them are—you know, you're a

political appointee, you're hired for that person.

Storey: Well, I guess I misunderstood something there.

The changes in the Central Valley Project you mentioned earlier. It's the largest, and I believe the largest crop value of all of the projects. And I find right away, when you came to the committee, there were things going on about the Central Valley Project. Could you discuss the evolution of the way that committee and subcommittee were looking at the Central Valley Project?

Beard: Well, I think the important thing to say in the beginning is that I was on that subcommittee staff for only one reason, and that is to work on California water issues. George Miller became the chairman of that subcommittee not because he cared about the program, but because he cared about his own congressional district. His district is a unique one: It's one of the few districts . . . . About 75 percent of his constituents—let me make it 60 percent of his constituents—receive their water from the Central Valley Project, through the Contra Costa Canal and the Contra Costa Water District. Because of diversions to send water south to irrigate crops in the San Joaquin Valley, every acre foot that's diverted has the impact of degrading the *quality* of the water that is pulled out of the delta [Sacramento River-San Joaquin River Delta] for drinking water purposes. So every time his constituents, or 60 or 70 percent of his constituents turned on their tap and they got bad water, they thought of one thing, and that is, water. For better or for worse, his constituents have always felt that the reason that they have poor quality water is because the farmers in the Central Valley—and they're not quite even sure who these people are—are taking the good water and sending them the drainage water, which, in a certain degree, is also true. So what George Miller had, as a politician, is *one* issue which united his constituents. In 1982 there was a vote on the Peripheral Canal, which is an issue that comes up every so often in California, about how we'll solve the water problems. Ninety-eight percent of his constituents, 98 percent, voted against it. Now, if any politician finds an issue that unites his constituents, it's a *good* idea to get on that side of the issue—and he was. And what he had found when he was elected to Congress—and his father had been a state senator before him, a very powerful man, and he had found the same thing—that if they opposed water development, opposed sending additional water for irrigation purposes in the Central Valley, their constituents somehow identified in their mind that this person was fighting on their behalf, and doing good things. And so as George used to like to say, “I can't be *too* unreasonable for my constituents on water.” He could do anything he wanted, and as long as he opposed, you know, water resource development, in general, his constituents loved him. And it all sort of went back to this one fact, that . . . . And there'd been a disappearance of fish stocks in the delta [Sacramento River-San Joaquin River Delta], and people loved the delta and the boating and the economic activity that took place from it. And so George found that this was the one issue that he could take on and be adamantly—if he fought hard on it, his

constituents wouldn't care *what* he did anywhere else when he was back here in Congress, as long as he was tough on that issue, and that issue alone. So we used to get letters, actually—and we *really* did get letters from people that said, “Dear Miller, You're a left-wing kook, and I think what you're doing on Nicaragua is outrageous, but I like the way you handled water, so I'm going to vote for you,” and they did! They voted for him because they really felt he was battling their battle, he was trying to protect the quality of their drinking water, and he was taking on the “big boys,” the [Central] Valley agribusiness giants. And he didn't do anything to diminish that impression. He spent most of his time wailing against the agribusiness giants and irrigated agriculture and subsidies and drainage—anything connected with water in California, and particularly the Central Valley. And he did it not because he really . . . . I was going to say “cared”—he did *care*, but it wasn't a priority with him. I mean, if you left him alone, the first thing he'd work on is kids' issues and probably welfare and, you know, sort of “motherhood and apple pie” stuff of a dyed-in-the-wool liberal Democrat. But he knew that if he paid attention to that issue, he could survive anything. He could survive any stupid thing that he might do as a politician, he could survive if he had a strong record on water. And so that's what we did. I mean, essentially, he became a reformer on water issues throughout the 70s and early 80s, and fought on behalf of President Carter's “hit list”, called it a great thing. He voted against every water project. And he did it—not only did he believe in it, but he also knew that it was good politics.

So when he became subcommittee chairman, he became the first subcommittee chairman of a pork barrel committee, a committee that hands out favors like this, who didn't support handing out the favors—which was sort of an unusual situation. And we spent a lot of time talking about, “How are we going to approach this problem?” And essentially, what he wanted to prove is, he wanted to prove he could reform things and use this as a platform to articulate his concerns. So when he became the chairman, we sort of picked the Garrison [Diversion] Project because we wanted to reformulate it, but we also spent our time working on California water issues. And the first thing that came up was Kesterson Reservoir. You know, the deformed ducks and whatever in Kesterson had been discovered, and of course this was something sent from heaven for a politician. I mean, you had victims—I mean, you could put the victims on display for the TV cameras. You could have a dead duck, it was right there. And people could understand that, “Ooo! The nasty water made those ducks deformed.” I mean, people can associate that. And then because he had the ability of the gavel, he had the ability to hold hearings, he started to hold hearings on it. It just sort of took off. What really began to take off, and what built his reputation, and *has* built his reputation is not—he's *good* and he works hard—but it comes back to this fundamental political issue that he has, and that is that it's good politics for him. So he works hard at it because it's good politics.

And we started off doing all kinds of things in California: holding



hearings on drainage and Kesterson and surplus crops and subsidies, and asking for GAO [General Accounting Office] reports, and IG [Inspector General] investigations, and holding more hearings, and introducing bills. You know, for eight years . . . . And the other Party was in charge of the Department of Interior, so you could hold hearings and try to embarrass them the whole time, and throw hand grenades and blame the other guys for all the problems. So it was a wonderful period in which you could be totally irresponsible and not have to worry about solving any . . . .

END SIDE 1, TAPE 2. SEPTEMBER 7, 1993.

BEGIN SIDE 2, TAPE 2. SEPTEMBER 7, 1993.

Beard: . . . politician. And it's out of publicity that you build a reputation. And we had really set the goal for Congressman Miller of trying to make him the leading environmental spokesman in the Congress. That's what we really wanted to do, and use the platform of that subcommittee, to make him the leading environmental politician, because that was also good politics for him as well, and something he wanted to do. And I think in the end we were successful. We made him the leading voice on environmental and natural resources issues in the Congress, and that's what he is today, and with good reason. I mean, it's not like we created something out of nothing. He's worked hard at it, but taken on a lot of difficult issues, but he did a good job.

Storey: And some of those difficult issues, for instance, include transferring water from one use to another. Could you explore that? For instance, Public Law 102-575?

Beard: Well, that was, I think, you know, it turned out one of the great legacies of my tenure there, and his tenure in Congress. It was almost happenstance. Actually it started (chuckles) with a shower. I was in the shower one morning, I got this great idea about how—I was thinking about water projects, and every water project in the West that we've built through the Bureau of Reclamation, we've always mitigated the impacts on fish and wildlife as we've gone along and done the project. And it's always been the policy that as you build something, you mitigate the impacts and you correct for fish and wildlife impacts as you go along.

But, of course, not in the Central Valley Project. We built the facilities, and then through a lot of legal interpretations and other practices, we never did anything. I mean, we didn't build any fish hatcheries, we didn't recreate wetlands or do anything else. I mean, we essentially just kept building, and taking more water. And there's a lot of reasons for that—I don't mean to cast blame, it was just a fact of life. And I think the primary reason was that the constituents who benefitted from the project in California, at least, are the most powerful people there are in the Reclamation West. They're *very* wealthy people that are very *tough* operators. They play hard-ball politics. So, we never did anything. And I was in the shower one day and I was thinking, "Geez, this is really silly, because maybe what we should

do is pass legislation which would require us to go back and mitigate the impact, correct all the environmental damage associated with the project: correct for fish and wildlife, recreate wetlands, build fish hatcheries and things. And I had in mind at the time we would sort of duplicate what was done in the Pacific Northwest with the Pacific Northwest Power Planning Council, which was given the responsibility to look at future power demand and also restore fisheries, particularly.

So I talked to George about it and I said, "What do you think?" and he said, "Ah, this is great! This'll be a lot of fun, sort of a legacy. We can do lots of good for fish and wildlife and stuff. Yeah, let's do it!" So I got a staff person, Charlene Dougherty, to start working on it, and we held a couple of meetings out in California with some of the environmental groups about what would go on a bill, what would it look like, how should we approach this problem. And I think this was about 1987, and we really tried our best, but we just didn't come up with much. We started out in December or January with this idea, and then for some reason it kind of fizzled-out and we didn't do anything for the rest of the year. So the next year we went back again and we had another meeting with all the environmentalists and sort of saying, "Okay, now we're *really* serious, we're going to *do* it this time." And they said, "Yeah, yeah, we've heard this before." So we actually did write a bill, and it was a bill to essentially restore fish and wildlife resources in the Central Valley. The bill was HR-4700, and I think [it was] about 1989 that we did it—'88 or '89, somewhere around there. And it was really a pretty good bill, it was good for a start. And we held a hearing, and predictably Congressman [Richard Henry] Lehman and Congressman [Charles] Pashayan who are both from Fresno, kind of went nuts over the bill and opposed it. We ultimately made some changes in the bill and reported it out of subcommittee, but it really died at that point, and the election occurred. I think that was 1988, and nothing ever happened with it.

So it was about that point that we introduced the bill again the next year, and Tom Jensen became the staff director for the Senate Water and Power Subcommittee over in Energy and Natural Resources. And he had a background of . . . . You know, he'd been working in the Pacific Northwest on salmon issues, and he came and he said, "I'm really very interested in this issue, and we want to work on the Senate side to help you." And he said, "I'm going to talk to Senator [William (Bill)] Bradley about introducing his *own* bill," and he ultimately did. So then for the next two years we held hearings and reported the bill out, and I think we actually got it passed in the House of Representatives, and sent over to the Senate. And the administration opposed it, and a lot of senators did. It was sort of a big controversy, but it was an interesting issue. It was one that we sort of batted around. So by the end of 1990 in the election, we hadn't passed the bill, but we'd made fairly good progress in the House, and in the Senate as well. Senator Bradley was really into it. I think he saw some political advantage in going to California and having some kind of a bill that the environmentalists supported and so forth.

Also in 1990, we had put together on a separate track, another bill. The bill started out to be a collection of . . . water-technical fixes to existing projects, some housekeeping legislation, and we'd actually started it out that way. We had a whole bunch of these things, and we said, "Ah well, let's just put them all together and sort of make one omnibus bill," but I mean, it's not really a big deal. For the most part, they're noncontroversial issues. So we started out that way in 1988. And throughout 1989 and 1990 we kept sort of adding little things to this bill, and we ultimately put in there some changes in the Reclamation Reform Act, because of the regulations that had been written, we opposed the regulations, and so we put those in the bill, and it passed the House and got over to the Senate, and Senator Pete Wilson of California opposed moving the bill at all, primarily because of the support he was receiving in his race for the governor's race, from the Central Valley Water Project interests. So the bill died in 1990. So this omnibus bill which had suddenly grown from being a collection of cats and dogs to suddenly being a major bill because it had the Central Utah Project reformulation on it—and they had reached agreement, and that's about a billion dollars' worth, \$1.2 billion worth of authorization, and then a whole bunch of other cats and dogs for all these senators and congressmen.

So after the 1990 election, we had on one track, the Central Valley Project Fish and Wildlife Improvement Act; and then we had this omnibus bill which had the Reclamation Reform Act stuff on it. And in 1991, Congressman Miller logically sort of said, "What the hell are we doing? Why don't we just add the two together, send the bill over to the Senate, and make them move with it?" And that's what we did: We took the Central Valley Project Improvement Act, made it one of the titles of this omnibus bill which became ultimately P.L. 102-575, the Reclamation Projects Adjustment Act—I've forgotten the exact title. It was kind of something that I stole from something that was in the 1970s. Authorization and Adjustment . . . .

Storey: Reclamation and Adjustment Act?

Beard: And Adjustment. So we passed one version, sent it over to the Senate; *they* passed another version and sent it back to us. We tried to put it on a whole bunch of<sup>2</sup>we passed it back and forth a *whole* bunch of times, and it all came down to the end of the Congress, of *that* Congress, the 102nd Congress, and we tried to negotiate with the Central Valley Project interests on the Central Valley Project part of it—the House members, and they had all, because of pressure from their constituents, taken a walk. They just said, "Look, we can't participate. They're all opposed and we're just going to vote against it." So we actually sat down, Tom Jensen and myself, and John Lawrence, who was George's [Miller] Chief of Staff at the time, Steve Lannik [phonetic spelling] and Dana Cooper—really sat down in a room and just sort of wrote something. And we wrote it with the help of David Yardis from the Environmental Defense Fund and several other people. It was *not*, I thought, a terribly good process, because what you *should* do is have all the interests arrayed around the table, and fight it out. And what you had is just only one

end of the spectrum (chuckles) on the table, and we wrote a *very* tough bill, and we put it in, and it got through the Senate and the House, and then when it was sent down to the President, President Bush was *way* behind in the polls in California, and he'd lost California, essentially, and all the other Western senators were *clamoring* on him, saying, "Please, please don't veto this bill. We need our water project fixed," whatever it was. And he signed it. Now the Central Valley Project proponents had actually thought that he wouldn't. They thought that he would actually veto the bill, because they *thought* they had a promise from him that he was going to veto the bill. All he said was, "I'll *look* at a veto." So in the end, they gambled and they lost.

And it was kind of interesting. The idea sort of started with a little illusionary idea that came from a morning shower, and out of that sort of came this whole big thing. I don't claim any particular credit for it—I was one of the people that—we were—you know, Congressman Miller was the original person to introduce it. He introduced it because he really liked the idea of having some kind of a legacy. I think he was very proud of it in the end. But a lot of other people tugged and pulled on the product and they have their fingerprints on it as well as mine.

Storey: One of the groups that pulled and tugged on it was the Historic Preservation folks. Do you happen to remember anything about how Title 40 got in there?

Beard: Yeah, it got in there . . . Bruce Vento who was chairman of the parks subcommittee in the House had passed the Reauthorization Bill and sent it over to the Senate as separate legislation. And they didn't want to handle it as a separate bill, and they wanted to put it *on* something and get it through. And Mrs. Bennett Johnston, Senator Johnston's wife, is interested in the issue, and became very interested in getting a National Historic Preservation Technology Center—something like that—created in some obscure college in Louisiana, which she attended. And so they put this . . . They were looking for a vehicle to take this . . . initiative, and they knew that if they stuck it on a singular bill, just sent the House bill back, people would raise all kinds of problems of "Why are we doing this in Louisiana?" So they stuck it on a bill . . . Ultimately, I think we had about fifty-four or fifty-five titles dealing with water resources, and then we had this one dealing with historic preservation. And they threw it on the back of that bill and sent it over. And, you know, we didn't pay that much attention to it. That was a negotiation that took place between the parks subcommittee staff and the people over in the Senate, and they reached agreement. It was stuck on the bill and it was one of the reasons why it got enacted into law.

### The Reclamation Reform Act

Storey: You mentioned RRA [Reclamation Reform Act] earlier. This of course, is one of the more controversial topics in Reclamation, I think. Could you talk about your perspectives on where RRA has come from and where it is and needs to go?

Beard: Well, I think that it's the best example I can think of, of how or why we are not a good . . . . Oh, what's the right phrase? We're not a regulatory agency, and this is the best example of *why* we're not a regulatory agency. The concept of RRA is really very simple, and that is that you're bestowing upon people a *tremendous* subsidy, a *huge* subsidy. In the Central Valley Project, alone, for example, the subsidy was calculated by the Bureau staff in the mid-80s as being about \$400 million a year. That means people in the Central Valley Project who receive water from Reclamation start out with a \$400 million advantage over their competitors elsewhere in the nation. That's a *lot* of money every year. That's a *tremendous* amount of money. And so clearly the framers of the statute understood that, and they understood that what you *had* to do, if you were bestowing this benefit on people, you had to distribute it to as many people as you possibly could, and therefore, that's why we've always had acreage limitations, and all the red tape and requirements that have come along with, "If you receive Federally-subsidized water from a Reclamation project, you have all kinds of strings attached to it: the price you can sell your land, how long you can hold it, how much you can own," and all the rest of it. And that all makes eminent sense, because you are getting a benefit—in return, we as taxpayers are asking something of you. But to be perfectly honest, it's never worked. This agency has never implemented the law successfully, and we haven't for a lot of reasons—not because we didn't have good intentions, but we did. In fact, I think the best people in terms of implementing the law have always been the agency personnel. They've understood what it is they were supposed to do, and they tried to do it. But every time you ran into a problem, the political process came around. When somebody's "ox was gored," they'd run to the commissioner, or they'd run to the Secretary, or they'd run to the President, or they'd run to their congressman or senator and get the decision turned around, and it's always been that way. And I think that it shows very clearly why, if you're a regulatory agency . . . . Well, it shows very clearly why a resource management agency, such as Reclamation, shouldn't be in the regulatory business, because we can't do it. We would be *much* better off by just turning it over to somebody like EPA or somebody who does regulatory work for a living.

But it's been a source of constant frustration. It really started with a court case in the mid-1970s when National Land For People filed suit in Fresno saying that Reclamation doesn't have regulations to implement the Reclamation Law. And the Court said, "Yeah, you're right, they don't." And so we issued draft regulations in 1977—Secretary Andrus did—1978, and there was such a *huge* outcry over that. I mean it had all the things that were supposed to be in there: residency and acreage limitations and all the rest of it, and we had the regulations. Secretary Andrus said, "Okay, here's this huge cry, another front on the 'War of the West,' so therefore I'll hold up implementing the law until the Congress figures out what it wants to do." And that's what he did. He essentially—you know, the Carter Administration didn't do anything on enforcing the Reclamation law, and they threw the hot potato to the Congress and the Congress argued about it until 1982. At

which point, they really cut a deal, and I think the deal was a fair deal, and a *tougher* deal than most people anticipated. And when the regulations were written in 1987 to finally implement the law and the hammer clause came down, that provision came down, and people saw what *really* had been done in 1982, they really objected and the law was rewritten through the regulations. And so I think it's probably been the darkest chapter in Reclamation's history. I mean, I really think such a tragedy that the program, historically, had some tremendous benefits, but the fact that we failed to implement the acreage limitation and pricing provisions effectively—and particularly in California—has been a real source of—one of the dark chapters in the history of the organization. And I don't mean that for just the people *in* the organization, because I think the employees in the organization have really never wavered in their attempts to enforce the law, but I really think that the political veneer that is on top of the Bureau has always found a way to circumvent that. And we did that when I was in the Carter Administration: I know that we had one position on the enforcement of the Reclamation Laws and then Mrs. Carter went out to Fresno and went to a fund-raiser, and then two days later we had a *different* position. Now, is there a cause and effect relationship? *I* sure think so! But things were not . . . . And President Carter at the time was in a Primary fight with Senator Kennedy and tough reelection and all the rest of it, so . . . .

Storey: Well, of course, a lot of this, I think, stems out of the concept of homemaking, that was originally espoused in Reclamation—the idea that what we were doing was setting up homes for farmers on Reclamation land. There is, though, a group of historians that argues that what Congress was doing is investing in the American West, and that that investment is very similar to the kind of thing the Corps of Engineers does in building channels and locks; and that the Federal Highway Administration does in building roads, in effect subsidizing trucking, subsidizing tugboats, and so on. Do you see anything unique about the Reclamation subsidy?

Beard: Well, I guess I would consider myself to be one of those that puts myself in the situation that, you know, we're subsidizing the infrastructure. But you know, there's a point at which one has to ask, "How long do we continue to provide this investment?" What's the point at which you invest a subsidy—you know, it's so long that there's a point at which whoever you're subsidizing can then move, you know, take off on their own. The original concept of Reclamation was, Let's help settle the West. You know, sort of the "manifest destiny" concept. But, you know, California is the largest state in the Union. You take Washington and Oregon and California *together*, it's a pretty big part of our nation. And there's a point at which you sort of have to say to yourself, "Okay, now we're in contemporary America. Now we're at a point in our history where we have *too many* people there. Do we need to continue to provide this subsidy?" Why should we provide a subsidy that provides a competitive advantage to a certain group of people over all over other people? Those are legitimate public policy questions, which we constantly have to ask, and argue about, because there's no solutions,

sometimes, to these questions. I mean, some of them are just—they're decided differently in different periods of time.

And I think that's what—where we are today is I'm trying to advocate something different for the Bureau of Reclamation. I'm trying to make this a water resource management agency. I'm trying to change the focus, completely, of the agency itself. I'm trying to move us away from arguing about "Should we provide subsidized irrigation water?" I think the answer to that is "no." The question is, "What *should* we be doing with this water?" And I think what the CPORT recommendation says, and what the Executive Management Committee and ultimately what we will approve out of this process, is that we should become a resource management agency. Our job is to manage those facilities that we have today, and those that we are in the process of building or might build in the future. But our job is to take the water and related land resources that we have, and the power, and we ought to manage those resources in a way that meets contemporary values. And that's something completely different than we've ever done before. It's going to be a very big challenge to see whether or not we'll be able to do it.

I think ultimately, we will. I think we find ourselves today in exactly the same position that the Bureau of Land Management found itself in 1978. After FLPMA [Federal Land Policy and Management Act of 1976] of 1976 was passed. Up until that point, BLM had operated under the concept of *disposing* of lands, or operating under the authority of the Taylor Grazing Act or the Mining Law of 1872—neither of which were glorious statutes in an environmental world. And they had to transition, starting in 1978, into being essentially a resource management agency. "How can we manage resources to meet contemporary values, and the values in the statute, and so forth?" And that's where *we* find ourselves. We find ourselves in 1993 being turned into a water resource management agency. Our job ought to be not "What does this irrigation district need?" but, "How is it that we should manage these resources for the benefit of all, and for the greatest good?" And that's a *tough* philosophical change, and I think it will take a long time to make that change. They certainly won't make it during the period that *I'm* commissioner. But I think the next commissioner will find it a little bit easier. And the one who follows that, even easier.

Storey: Well, thank you. I think our time is up. I regret it, because this is fascinating.

Once again, I'd like to ask you about using these materials and making the transcripts and tapes available to researchers, whether you have made up your mind about how you would like to handle that?

Beard: Well, I haven't made up my mind. My tentative recommendation is that they wait until I'm no longer—the moment I resign as commissioner, they can listen to this all they want, but until then, I would prefer that we not release the material, particularly because I name names and talk about those issues.

Storey: Okay, good. Thank you very much.

END OF SIDE 2, TAPE 2. SEPTEMBER 7, 1993.

BEGIN SIDE 1, TAPE 1. OCTOBER 7, 1993.

This is Brit Allan Storey, Senior Historian of the Bureau of Reclamation, interviewing Commissioner Daniel [P.] Beard of the Bureau of Reclamation, at about three o'clock in the afternoon on October 7, 1993, in his offices in the Main Interior Building, in Washington, D.C. This is Tape One.

### Changes That Should Be Made in Reclamation

Beard: You don't have to *ask* me those questions.

Storey: You want to talk . . .

Beard: I don't care, you can ask me anything you want. I mean, I've forgotten where we were in this process.

Storey: Well, we had gotten to the point where . . . . After the interview last time, you said you would like to talk, that you felt that you could talk for a couple of hours about what needed to be changed with Reclamation and where you wanted to take it. And that's one of the questions I would really like you to respond to.

And the other question that I had, was during your speech at NWRA [National Water Resources Association] in Durango, you mentioned that you'd come up with a list of issues confronting Reclamation and gotten to twenty-five and you'd quit. And I'd like to discuss *those* issues also—whichever order you're interested in.

Beard: Well I think the Bureau itself is probably the most interesting place to proceed. I'm not even sure where to begin.

I've always been fascinated by the Bureau of Reclamation. I've always sort of considered myself, first of all, an academician: That was where my training was, and the kind of future direction that I wanted to pursue, and have never ended up (chuckles) doing it. But I've always been fascinated by the Bureau of Reclamation, fascinated by the history, and the history and the culture surrounding it. You know, the history of Western water is absolutely fascinating. It's a history of monumental characters, larger-than-life characters, and larger-than-life events. And that has always been something that I've found of great interest. And, as a result, ever since I became associated with the Bureau of Reclamation in water resource issues, I've had just a soft spot in my heart, but also a fascination with the Bureau of Reclamation.

But I have really become convinced, as I sat down and actually, after the election, decided that I would try to get the nomination—get the President to nominate me and to get confirmed. One of the hard parts was: How does one go



about doing that?; and What is it you want to do?; and Why do you want to do it? I've sort of explained that in some previous discussions we've had. But I really view it as a great personal challenge, and the challenge that I see is, that we're really at a historic point in the history of Western water resource policy.

The Western United States is changing. It is now the most urbanized area of our country, and the kinds of demands that an urban community places on the water resources of an area is different from the demands that an agricultural society will place on water resources. And as a result, with increasing population in the West, and an increasingly urban population, and the nature and character of Western states changing, and the philosophy and the approach and the outlook, there is a genuine demand for change, and a real push towards change.

And the Bureau of Reclamation, like a lot of organizations, Federal agencies don't tend to change radically or quickly. And the West has changed, the society has changed, demands on water resources have changed, Western water resource policy has changed, and frankly, we have to change with it. And I really have felt that the Bureau of Reclamation either makes that change or it goes out of existence. And I took this job because I really do feel that I have the ability to help assist in that change, and to help the Bureau move into the 1990s or the "next century," so to speak. I hate to get sort of melodramatic about it, but I think that I can help bring about that change and help guide it. And that's what I've set out for myself as a primary agenda.

And that really means moving out of the water resource development business and getting into the water resource management business. We have been an institution that thought only of building things—that was our primary function, and that's what we did. We investigated projects, or facilities, or "infrastructure," if you will, a new buzz word. We then constructed them, and then we turned them over to somebody else to operate and maintain, and we went on to the next item of the agenda. And that's really what we've done for the last ninety-some years: we investigated a solution, we built a facility, and then once the facility was built, we would then turn it over to somebody else to operate or maintain, and then move on to the next project. And it really didn't matter to us, in many respects, what we built. They didn't care whether they were building a dam, whether they were building a visitors' center, whether they were building a canal—build anything. It's just that we were building something, and that's what our function was—to build. And I don't think that that's our function any more.

Our function really is to help Western states and communities and reservations—Indian nations, if you will—to resolve contemporary water problems. There are problems out there that exist. We have expertise. Our job ought to be to *assist* communities to solve those problems, and to solve them in a way that's environmentally acceptable in today's world, and financially acceptable, fiscally acceptable, in today's world. It is no longer relevant for Federal agencies . . . . I mean, we're at a history now, at least in Federal service,

where we simply can't select a solution to a problem that requires the construction of a massive number of projects, like the Central Utah Project, or the Central Arizona Project, and cost billions of dollars, and takes decades to build. The public won't accept it. It just can't be done. I mean, there's just no other way to describe it.

### **Transitioning from a Construction Agency to a Water Resources Management Agency**

How we transition from being a construction agency—or that was the *raison d'être* for all the people who worked in the organization—to being a water resource management agency which is working with local communities to solve problems and where we are only *one* of many participants in crafting a solution—and usually the solution is less structural in nature, it's a nonstructural solution, for the most part—is the challenge that we really face as an organization. And I am convinced that that is the direction that we *have* to go in, and that is the direction that we *will* go in. And *how* we go about that has really been the thing that has consumed me for the last three or four months.

The first thing that *I* did, if this is essentially where we're going to go, I really felt that the first thing we needed to do is that we needed to have a blueprint, we needed to have a plan of attack, an approach. And I really did feel that I could not develop that plan, because one of the things I learned in the Carter Administration when I was here, is that I could write all the policies I wanted, and they'd be *wonderful* policies—articulate and witty and thoughtful and comprehensive—and yet it would mean nothing if you issued these proclamations and they were. . . . You issued them and they were sent out and they fell on deaf ears and nothing happened. So that you really *have* to—and I think in Federal agencies—you *really* have to find a way in which you get people to buy-into change. And this is particularly important for agencies.

### **Obtaining Input into Reorganization**

#### **Commissioner's Program Organization Review Team**

So I appointed a seven-person group of people who were career civil servants. I appointed them, and I intentionally didn't put anybody in charge or give them a name. And the first thing they did at their first meeting was give themselves a name, which was the Commissioner's Program Organization and Review Team [CPORT], and then they put somebody (chuckles) in charge, who is Mike Whittington. Anyway, the CPORT group, I sat down with them and I said, "Listen, you have an opportunity. I'm going to place a lot of faith in you. I want you to do a report, and I want you to be as bold and as innovative as you possibly can be. And I want you to write a charter, a blueprint, for this organization to change." And that's really about as much instruction as I gave them. I *intentionally* did not tell them what to write. I wanted them to develop that.

That organization went through a fascinating change. They were very euphoric for a week. I asked them to look at all the documents that had dealt with change and the Bureau and it's future. The previous Commissioner, Dennis Underwood had spent a considerable amount of time putting together a strategic plan and implementation documents. And I asked them to look at that and all the other documents that were on hand. And then from that, look at what it is we do, and whether or not we ought to continue to do those things, and then as they looked at what it is we ought to do in the future, *how* we ought to do business, how we can do business more efficiently, more effectively, *and* in a way that makes this an exciting place to work. And those were sort of phrases that I personally used, because I think they're terribly important. I think if people work in an exciting place, they look forward to coming to work.

The CPORT group, after their euphoric first week, went into almost total depression, because they said, "Well obviously, this is too difficult. There are too many changes. How do we decide what's the right thing to do? What standards to we use?" And they went through all this, and they struggled as an organization. And they finally came out of that, developed a report, and presented it to me, and I must say that it exceeded my expectations. I did not think that they could do as good a job as they did. They came forward with some very innovative ideas, and some pretty bold ideas. I mean, they made some mistakes, and they did it in a very fast time period. They only had about seven or eight weeks to do it. And they basically came forward with the recommendation that we should be a decentralized organization. If we're going to be a water resource manager and we're going to manage resources, then the resource ought to be the driving force for decision-making, then we ought to be decentralized. We can't be a centralized organization. And that means "empowering," in today's euphemism or parlance, empowering our Project Offices, making them Area Offices, downsizing Denver, downsizing Regional Offices in time, and trying to get rid of excessive reviews, and get rid of cumbersome instructions such as the Reclamation Instructions which tie people's hands, and *try* to get rid of a lot of the centralization and requirements which sap originality and innovative thinking and responsibility.

I was really quite impressed. The group was assisted along the way by Don Glaser who is now the deputy commissioner. These were people that Don recommended to me that *should be* in this organization, in the group. I agreed with him, and he worked with them on a day-to-day basis, and really helped shape . . . . He didn't write any of the recommendations or anything, but he really helped move people along and guide their discussions, and he was very useful.

### **Reclamation Employees Organization for Ethics and Integrity**

At the same time, I had asked a group called REOEI the Reclamation

Employees [Organization] for Ethics and Integrity,<sup>5</sup> which is a group of—I call it a group of whistle-blowers, but they’re really just a number of people in Denver who are very frustrated with where Reclamation has been going in the last few years. I have really felt that it was important for us to . . . . You should never have organizations like that outside the tent throwing rocks. You should always bring them inside the tent. So I have met with them every time . . . . I met with them as soon as I could, I talk with their members on a regular basis, I do my best to try to make decisions after consultation with them. They aren’t telling me what to do, but I listen to them. And I’m trying my best to make sure that they know that they have a voice, somebody here who will listen to them, consider their views, then act, really, in the best way that I possibly can. I asked *them* to look at the organization and make recommendations, and they did: they presented me with a report on how Reclamation ought to be organized in the future.

And they gave me a *completely* different recommendation: Rather than being a *decentralized* organization, they recommended that we should be a *centralized* organization, and we ought to be centralized in about six different areas. There would be six different program managers, there would be no assistant commissioners, no deputy commissioners, just program directors. And those program directors would be in charge of budget requests and day-to-day activities in an area, such as infrastructure operation, power operations, resource management, and so forth. And so there would be no Regional Offices at all—there would just be these six program areas. And those six program areas, I think, their recommendation is that they be centralized in Denver.

After I had those two documents, the CPORT document and the REOEI document, I then gave both to what’s called our Executive Management Committee which are all the assistant commissioners, regional directors, and some others, and said to them, “Look, you have a responsibility to look at these and formulate *your* recommendations on the basis of this.” And they’ve done so. And they basically came down on the side of the CPORT group, we ought to be a resource management agency, we ought to be decentralized—although they did agree with the REOEI group that we needed to do a better job of budget formulation and then implementation.

And they recommended a number of changes: the most important of which was kind of interesting, I thought, and that is that they recommended that we create a completely different culture within the organization. That we needed to create a culture which promoted diversity of opinion, risk-taking, and innovative thought. We have a long tradition in this organization of being this highly-centralized organization, hierarchical organization, where everybody stays in line. If you voice an opinion which is not that shared by the hierarchy, your career is over. And we have a tradition of nobody ever speaks out of turn in this organization, nobody speaks up. And if you did, you got clubbed and

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5. This is the Reclamation Employee Organization for Ethics and Integrity with the acronym REOEI. The acronym is commonly pronounced “rio” or “reo” with a long “e”.

beaten back pretty good. And I happen to think that's wrong.

And I don't think you can run an organization where you have 7,500 people in charge, obviously. But I think we have erred on the side of not allowing people to present different ideas, different ways of doing business, and arguing that out. And I think that the *reason* that we've done that is that we have this system of reviews where we keep reviewing things, and as you move from one level to the next, you never send up all the options—you sort of winnow-out the options. Well what happens is, many of the people in the middle management level who don't want to antagonize people up above them, or whatever—I don't know what the reasons are—generally everything that filters up tends to be pretty bland. And that's just sort of been our tradition. And the Executive Management Committee, when they looked at all these new documents, really, I thought the most important thing they said is that we really needed to develop a new culture for the organization—a *way* of doing business where we promote diversity and thinking, we really try to reflect society as a whole, where you have disparate views presented and argued, and then out of that comes a recommendation which more closely affects and aligns with, is more consistent with, the public interest.

And then they also recommended a structure, an organizational structure which was quite a bit more streamlined than we have today, to make Washington the headquarters, rather than Denver be the corporate headquarters; to make Denver a technical service center; to go with the Area Offices as well as Regional Offices; and to have a simplified and trimmed-back Washington headquarters, and then have Washington provide policy direction and instructions; and then have that implementation be carried out, out in the field, within those guidelines; and not constantly run every decision up the flagpole and run it up to Denver or to Washington and let it rattle around there for a long time; and also to eliminate as many excessive reviews as possible.

So that's what I'm faced with at the present time. I have those three documents, and I have over a thousand comments from employees of the organization, which I've read. I haven't read all thousand, but I've read several hundred. Don Glaser has read all of the comments in Denver, and all the regional directors have read all the comments from the regions. We have summarized them and talked through the basic thrust and direction, what employees are doing. So it's been a fairly public process. And I'm now faced with the opportunity to be able to make the decisions to shape our future. And I think as I look forward, I intend to come out pretty much along the lines of the CPORT group, although I think the REOEI group presented me with some interesting recommendations and there are some I want to include from there. And then I also agree with much of what the Executive Management Committee did and my managers presented. But I really think that what we will do *here* is map out sort of a new course.

## National Performance Review and Reorganization of Reclamation

Coincidentally, and it's serendipitous, it's just luck, frankly, Vice President Gore has had underway something called the National Performance Review, NPR, as it's referred to. And this National Performance Review has been an effort to try to revitalize Federal agencies. And the recommendations that have been presented to me parallel very closely the recommendations and desires of this National Performance Review. So what I *plan* to do is to wrap our reorganization in the blanket of the National Performance Review and say, "In response to directions from the president and vice president, I'm going to make the following decisions, which are consistent with what they've recommended that the Federal agencies do." And so that we then, I think, run out and we'll be the first agency in the Interior Department to make this kind of change.

And it presents us with an opportunity. It certainly presents *me* with an opportunity to go out to our employees and to say, "Look, we have a chance to be on the cutting edge of change," and it's something that I think the employees want to do, and *I* certainly want to do.

I'll stop at that point. I'm not sure what else . . . . What was the question? (laughter) I've talked for twenty minutes!

### Vision for Reclamation's Future

Storey: The question is, What do you want to do with Reclamation?

Beard: Well, I think from that we will slowly evolve—I hope—over the next four years. We'll evolve into something different. We'll evolve into an organization that's smaller. We now have 7,500 employees, and I would expect that we will get *significantly* smaller—I mean, not 2,000, but we'll go down in size. I don't know how much we'll go down, because I think it'll depend on what our program levels are. And *I* think we'll have less money. Our construction budget is going to decline rather rapidly in the next two years, and will probably go from being—it *was* \$800 million, about six years ago, it's now down to \$400 million, and I think that it'll go down to \$15 million or so and level off, where we'll do a lot of operation and maintenance, rehabilitation of structures and things, dam safety improvements and some others. And it will pretty well level-off at that point. I think the number of people we have in the organization will go down, the size of our budget will go down, I think we'll decentralize, I think we'll get rid of a lot of the superstructure and needless reviews that we have.

And I do think that we will become a leader in some areas, in the three areas that I hope to try to pursue during *my* tenure here, are the following: I want us to do a better job in water conservation and efficiency improvements. Second of all, to take our responsibilities in the environmental area much more seriously. And third, is for us to develop a much stronger working relationship with urban communities in the West. I'd really like to sort of look at each one of those individually. In the area of water conservation, now that it is apparent that construction of large storage facilities and transportation facilities, aqueducts, is

out of the question, and it *is* in this day and age. We have to find other ways to find water, and it's as simple as that.

With the Endangered Species Act taking on greater importance, and all the other responsibilities and pressures that are placed on our water resource infrastructure and on water resources in the West, there's only one thing that is common throughout the West that I keep seeing over and over and over again: And that is, we need more water in the river. Now our traditional solution has been to build storage facilities. We *can't* do that anymore. Frankly, I think we may have gone too far in one direction, but it doesn't matter, that's just not an option that's really available to us in a consistent way. And we've got to look for new ways of finding water, and conservation and efficiency improvements offer us two very important ways for finding additional water.

I think one of the biggest challenges I have over the next four years is to be able to prove to the American people, the general public that's out there, and to some political leaders, and certainly to the water resource "fraternity" that's out there, that conservation offers a viable option, a viable alternative, for meeting future water needs. And I intend to spend as much time as I can, and to invest as much of my credibility in trying to do that. I think that it's terribly important.

Here it is 1993, and I think back to 1973 when the first energy crisis came. And at that time, the only way in which you produced electric power in this country was that you built a large central generating station: a thousand-megawatt nuclear plant, a thousand-megawatt coal-fired plant, or whatever. That's the way you produced electric power in this country. And now in 1993, you don't produce power that way any more. You buy conservation, you buy efficiency in the system, you buy cogeneration, or you generate power in conjunction with other industrial processes, using the waste heat. But we have completely revolutionized the electric utility industry in the last twenty years, where today you have Southern California Edison Company, which is the second-largest investor-owned utility in the world, has announced that they will meet *all* of their future electric power needs through efficiency improvements. And as a corporate strategy, they're not going to build any more generating stations. They're going to go around and install more efficient refrigerators, and air conditioners, and all kinds of other things. It's an absolutely fascinating change that has overcome the industry.

And I really think we're poised, in the same place, in the water resources field. Now, it's much different, we're less responsive to market conditions, because we really don't have markets out there that allocate water. We allocate water based through the water right permitting system. But nevertheless, I really do believe that we have got to find a way to use conservation and efficiency improvements as a means . . . .

END SIDE 1, TAPE 1. OCTOBER 7, 1993.

BEGIN SIDE 2, TAPE 1. OCTOBER 7, 1993.

Beard: And this sounds sort of almost professorial, but in 1902 when the Bureau of Reclamation was created, we really *were* the first engineering organization. There was a need for a Federal agency that was a residual of engineering talent and expertise to be able to build storage facilities. And today there is a need for a Federal agency to take a leadership role in conservation and efficiency improvements, and that ought to be our job.

On the environmental side of things, I think that we have not done the kind of job that we should have over the years, in being environmental stewards. That is increasingly our major responsibility. I think of right now, in 1993, the Endangered Species Act is the driving force behind resource management in this country. And our staff is working every day on more and more responsibilities dealing with environmental restoration and endangered species work. We have often not pursued environmental projects to the degree we *should* have, and I really want to try to correct that to the maximum extent I can, and I want to try to promote it and to pursue as many environmental initiatives as I possibly can. I think that it's terribly important for the country, for water resource policy, and for our organization.

And the third item that I mentioned was a closer working relationship with urban communities. The politics of water has always been that the agency with some local congressional supporters would work with an irrigation district to put together a project, and the irrigation water districts in the West have always been our primary clientele group. And they've always been the groups that we've had the closest working relationship with. I want to change that. I don't think that in this day and age, that given the water resource requirements of the Western states and Western communities, that our highest calling is to get water to agriculture. Our highest calling is really to assist urban communities in the West to meet their water needs, because urban water supplies are the first and highest priority for Western communities, and then once their needs are met, the recreational needs of Western communities is then almost the second thing on the agenda.

And I think that we have really missed the boat, politically, in this agency. We aligned ourselves many years ago with the rural interests and with the agricultural interests and with irrigated agriculture, and we have clung onto their coattails for ninety years. And it has meant that we find ourselves in 1993 as an agency with an almost powerless clientele. Federal agencies are here to serve certain groups, and many people in this organization think that our highest calling is to serve irrigated agriculture in the West, and it's *not*. Our highest calling, the people that we serve, other than the taxpayers, is, we ought to be serving the needs of urban communities in the West. And you know, it's a lot different if you are out there working to help solve the problems of three hundred farmers, or eighteen million people in Southern California. There's a *big* difference in the way in which you present your message, and the way your message is presented to the Congress, or in Federal agencies.

I really think there's a *tremendous* need out there, and these are needs that



I really think we ought to—and this is an alliance that we ought to forge over time. And it's going to be one of the things that I intend to try to pursue. I've worked closely with—it's called Western Urban Water Coalition, but it's all the major Western cities—and they were very supportive of my nomination, and I appreciated that, and I intend to work closely with them, as well as individual cities and other organizations to try to forge that kind of relationship.

Other than those three priorities—those are the three *major* priorities that I really see as I hope being the hallmark of *my* tenure here—I have sort of two others that come to mind, *three* others, actually, that are things that I hope I will be able to do as I'm here. I sort of put them in a second tier.

The first of those is assisting Indian tribes. I really think that the Bureau of Reclamation has missed the boat, once again, in not providing its services and expertise to Native Americans in the West, and I intend to try to correct that. It's a high priority with me, and I frankly think we've done a great job in the last two to three years. We've developed a much closer working relationship with Native Americans, we've become their advocates, and there's a great deal that we can do on Indian reservations. There are many Indian reservations where they do not have potable water supplies, and we can assist in that. There's just a great deal that we can do in terms of technical assistance.

Another issue that I want to pursue as sort of a second-tier issue during my tenure is going to be diversity of the work force. I happen to think that we have had a work force which is pretty homogeneous—it has been the same kinds of people. Most of our employees have been civil engineers, and we have not done as good a job as we should have at promoting racial minorities and women into executive positions, or management positions in the organization. And I really think that creating a more diverse work force is fundamentally important to us as an agency. It'll make us a stronger agency and a better agency. A third of my work force at the present time is fifty years of age or older. Now, since I'm fifty, I don't see anything wrong with that! But a third of my work force is over fifty years of age. And a third of the work force is between forty and fifty. So what we have, essentially, is a very aged work force. And most of the diversity that we have *in* our work force is in the bottom third, the younger third. And the trick that we have to perform over the next few years is to downsize, reduce the number of people in the agency, but at the same time, diversify. Whether or not (chuckles) we're going to be able to do it. . . . Well, we'll *have* to do it. I mean, there's just no other alternative. But I think that's terribly important. It'll make us a much better agency and a stronger agency.

And the third thing in what I would call sort of the second tier of issues is for us to promote water transfers. As we look—going back again, as you look to solve problems, you don't have the option of constructing storage reservoirs. You need to find ways to move water around. Conservation gets you *some* water, but as long as water is allocated and controlled by one group or the other, and is not moved around to meet new high priorities, we are never going to be able to solve problems. So what I think we should do as an agency, is to do

everything we possibly can to help promote water transfers, which really means moving water out of agriculture over into environmental and urban uses. Essentially, that's what it means. Water transfers have become, *are* going to become, a very important source of new water, and a way in which urban communities can solve future problems. And we, as Federal agencies, ought to do our best. We ought to do our *utmost* to promote water transfers and to see that they're consummated so that we can assist, and also try to mitigate any third-party impacts that come as a result of transfers.

Those six areas, I guess, are the areas that I hope to concentrate my efforts on during my time as commissioner.

Storey: How do you think implementing these areas of activity is going to affect the way Reclamation looks in the future? Other than the fact that we're going to have fewer employees and a lower budget.

Beard: I think we'll do a lot different things. I think eventually we'll change our name. I was part of, you know, when I was in the Carter Administration, we changed the name of the organization to the Water and Power Resources Service. But it was done—really Keith Higginson is the person who thought of the idea and pursued it, because he wanted to give the agency another name, and a name that was more descriptive of what it was we did as an agency at that time. We provided power and water. It obviously didn't work! And it didn't work because it became a political exercise that was viewed as the Carter water policy, and as soon as Reagan was elected, Jim Watt and Bob Broadbent brought the old name back. I have talked to many employees who say we ought to change our name because nobody knows what the Bureau of Reclamation does. And I've told them I'm willing to change it any time there's a groundswell of support in the agency for changing it. It won't come from me, it'll come from the employees.

But I think we will be an agency which will begin to provide technical assistance in conservation and efficiency improvements. I think we'll become advocates on the environment, and we'll become advocates for cities. And we'll become less and less advocates on behalf of irrigated agriculture and the agricultural community. It will take us a generation to do that. *I* hope to start the process, and I hope to get the process going in a direction where it's irretrievable, you *can't* change it. Once we get it started, it won't be able to change. *I hope* so, but I don't think that I will be fortunate enough, as commissioner, to see the end. *I* will only see the beginning, and I think that in the end, when we finally get there, we'll have an agency that is going to be a real advocate for some really innovative solutions—if it's done right.

You know, we're actually finding ourselves today . . . . I was really pretty proud of many of the people in the organization: I was at a meeting the other day with two Indian tribes, and they came in seeking our assistance, and our answer was, "Yes! Not only will we give you the money, but we'll also be your advocate," which almost had these folks falling out of their chair. They

expected to come in here and have us say “no.” But creating a culture here of being an agency which is a problem-solver and we’re there to help people and to advocate on behalf of our clients, our *new* clients, is something that *I* really want to pursue and to push as much as I can.

### New Constituencies for Reclamation

Storey: One of the things that I hear over the lunch table a lot is “Reclamation used to have a constituency, a powerful constituency, which we are now alienating, and we do not now have any constituency that supports Reclamation.” What are your perspectives on that approach to thinking?

Beard: I think that’s *probably* accurate. And I think it’s accurate because we’re in the process of change from one constituency to another. As I’ve articulated, our constituency in the future are going to be the environmental community, and it’s going to be an alliance of the environmental community and urban water suppliers. Those are going to be our constituents in the future. And today, we’ve sort of stepped away from irrigated agriculture, and we’re holding the olive branch out to these other two groups, and we are building a relationship with them. And I think with Native Americans.

We’re building a relationship with those three groups. And we aren’t there yet, we haven’t solidified our relationship. Much of the relationship we have with the environmental community, for example, is based on *my* relationship with the environmental community. We have *lots* of people in this organization who are out there working, and we’re overcoming ninety years of suspicion. I mean, every environmental group in this country is convinced that we’re the worst thing that ever came down the road. That’s their initial reaction. Now, in recent years, they have developed a very good working relationship with us, and I think a lot of trust in us. It’ll take another five years or so to even have a *better* relationship. I’m just starting in the process of trying to build a relationship with Western urban communities. It’ll take time, but it’ll come with time. And I think that our relationship with Native Americans is good, but it’s going to get a lot better.

So I think in the end, we’ll have a very substantial, very *powerful* constituency: a constituency that’ll make us a much *stronger* organization. You know the number of people working in irrigated agriculture in the Western United States is pretty small. I mean, the number of people in agriculture in the State of Nevada is less than the number of people who work at the Mirage Hotel in Las Vegas. Las Vegas is a community of nearly a million people. And they are living off imported water supplies, and an insufficient supply to meet its future needs. The economy of Southern Nevada *depends* on the Bureau of Reclamation and the Secretary of the Interior, to assist them in meeting their future growth and development needs. *That* is a high calling, in my view. That’s a *tremendous* responsibility. It’s a responsibility that we as an agency . . . . It’s, I think, right now, *the* most important problem we have to deal with. And that’s a *tremendously powerful* constituency to deal with.

Now, is it our responsibility to provide assistance to irrigated agriculture in Nevada? No, it isn't. I mean, it *isn't* any more, because the number of people engaged in irrigated agriculture in Nevada is a few hundred, a few hundred farming operations, who are competing with endangered species and an Indian tribe and a city and a power company, for the water. Well, with all due respect, I think given today's world, we have to come down on the side of a different group. And how we make this transition . . . . We've got to make the transition, we've got to speed it up. And I spend a lot of my time convincing employees that you can let go and you can grab onto a new constituency, and you need to develop those new relationships.

### Future Prospects for Reclamation

- Storey: Well given all the things you've said, though our interviews and in public forums, that you expect Reclamation to survive, and that we have to change constituencies, and I'm hearing you say it's going to take about five years: Do we *have* five years?
- Beard: Oh yeah. There will *always* be a Bureau of Reclamation. You can't get rid of the Bureau of Reclamation, because the Secretary's responsibilities for operation of the large facilities like Grand Coulee and Hungry Horse, and the facilities on the Columbia and the Snake River systems, the Colorado. . . . Our involvement in major river basins, and with our major facilities means that we will *always* have to have a Bureau of Reclamation. You may call it something different, you may be a *part* of an agency, but you always have to perform those functions. And I think there is—at least on *this* Secretary's part—an acceptance that there *is* a need for a Federal agency to assist Western communities to solve water resource problems, because water is such a problem in the West. I mean, it's an arid region and it's there. So I am a hundred percent comfortable with the fact that we will be here in five years, and we'll be a different organization and we'll be stronger. Either that or I won't have a job! (laughter)
- Storey: Well, let's hope not, because then I won't have one either!

### Reclamation and Recreation

- You mentioned, as part of the shift to the urban constituency, the recreation components of that. How do you see that evolving? In the past, Reclamation has more or less said, "Yeah, it's nice that there can be recreation on our facilities, but we aren't not going to manage it, we're not going to participate. Give that to the Park Service, give that to the Forest Service, give that to BLM [Bureau of Land Management]." Do you see any evolution taking place?
- Beard: Oh yeah! I think there's going to be a *tremendous* change. We took that approach in the past because we were a construction agency. Our job was to get on to the next construction project. We didn't want to be bothered with managing a boat ramp, or campground, or any of these other facilities, because

we had to get on to the next project to build. And so it's the same thing as operating projects: we just turned them over to whoever would take them, we don't care! You take it, you got it. And now we can get on to the next project. But it's interesting: somebody told me that—and I'd have to check the numbers—but the visitation at our facilities is higher than any other Federal agency. We have a *tremendous* number of visitor days at our facilities. Now they're run by the Park Service or the Forest Service or counties or states, but local communities, state and local agencies are running into financial problems and they're unable to meet the operation and maintenance needs of these facilities, and they're threatening, and in some cases *have*, turned them back to Reclamation. And there is a need for construction of additional facilities such as campgrounds or toilets or recreational facilities of various types. And these entities cannot afford to construct those, and so they're looking to the Federal government to be a financial partner.

I think we *will* change, I think that we are going to *have* to change, because we're going to get so many of these [facilities] back, and I think we are going to be responsible for more and more recreation at our facilities. We have approximately three hundred five reservoirs where we have recreation, and we have seventy-two agencies providing recreation at those three hundred and five reservoirs. Four of those agencies are Federal agencies—the rest, sixty-eight—are either state or county or private entities that provide recreation. And I think that we are going to be increasingly pulled into this area, and I think it offers us a *great* opportunity to give greater publicity and visibility for our efforts and our abilities. Again, we just never bothered with that, putting up signs to say “This was built by the Bureau of Reclamation.” We really didn't care, because we were on to the next project. And we've got to do a little bit better job of tooting our own horn, and I think that we will.

Storey: I believe Dennis Underwood had directed that they develop a new signage policy and started doing that. I think it got dropped as soon as Dennis disappeared out the door.

Beard: Well, I picked it up again. Oh, I've picked it up again, and I've talked to the public affairs officers and I've told them it's *very* important. I mean, you know, we ought not to do this.

### **A New Seal for Reclamation**

Now we've got a new seal coming out for the agency and that's been sort of a giant debate here within the Department, and somehow getting all this through, I've never quite understood it. It got started in the last administration, but I certainly am a big supporter of it, because I think that it really helps us to have sort of a new logo and sort of a new image. It helps us.

Storey: It is a more stylized seal than the one we had?

Beard: Yeah, it's the one with mountains and, you know, water underneath.

- Storey: I haven't seen it.
- Beard: Oh, okay, I'll show it to you.
- Storey: Because the seal we currently have is so busy that it's hard to see anything in it, to identify it.
- Beard: Yeah, it's called "the drip," or "the drop"—I'm never quite sure.
- Storey: When you started talking today, you called the West "the most urbanized area of the country." What do you mean by that?
- Beard: More people live in the cities in the Western United States than any other region of the country.
- Storey: You mean as a percentage of the population in an area, or what?
- Beard: No, a percentage of the population. I think the number is 73 percent or something like that.
- Storey: In the West, live in the cities?
- Beard: Right, live in urban areas.
- Storey: So 27 percent live in rural areas?
- Beard: Rural areas.
- Storey: And in the East, you're saying there's a higher percentage that live out in what would be considered . . . .
- Beard: Rural areas.
- Storey: I see, so it's the percentage of the area population that you're referring to.
- Beard: I mean, there's a group in Denver that works for telephone companies or utilities and others, and it's The Center for the New West, and they like to think twenty years down the road, what'll the West be like? And it's absolutely fascinating to talk to people like that, but you know the West is going to be a different place. More and more people are going to live in urban areas, they are going to move to the West, there are going to be more and more retirement communities, more and more communities where natural resource extraction or use is going to become a smaller and smaller and smaller portion of the economy, and that high-tech, computer-related kinds of things for example, or retirement communities are going to increasingly become mainstays of the economy.

And so when you look at the changes that are taking place in the West, the *role* that agriculture plays, and our historical constituency, is going to play in

those economies is smaller and smaller. I mean, even in California where we have the Central Valley Project, and it is our *largest* project, by far, irrigated agriculture—or *agriculture* in California, for that matter—is a very, very small portion, something like 2 percent of the gross state product. It is *not* a major contributor to the economy of the State of California. I mean, even in California where we have the Central Valley Project, and it is our *largest* project, by far, irrigated agriculture—or *agriculture* in California, for that matter—is a very, very small portion, something like 2 percent of the gross state product. It is *not* a major contributor to the economy of the State of California. Now it's important in certain counties, like in Fresno County and others, but when you look at the entire economy of the state, it's *not*. And with the [North American] Free Trade Agreement being negotiated with Mexico and Canada, my presumption is that much of irrigated agriculture, or agricultural production, may move to Mexico, for example. It's a longer growing season, probably more liberal laws in the use of pesticides and a lot of other things, and it's entirely possible that with free trade there will be an even more rapid decline in some of our traditional constituencies. It's possible.

The world is going to change—it's going to change rather dramatically. With the fall of the Iron Curtain, our foreign policy is changing, and it's changing in ways which we don't even *know* about yet. When this tape is listened to by people five or ten years down the road, they'll sort of laugh at what we were, but here we are in 1993 with the Iron Curtain just being dismantled and we're sitting here frustrated in our foreign policy, because we don't quite know what to do. There's no other monster out there like, you know, the Soviet Union was a monster for forty or fifty years, which not only was the basis of our foreign policy, but for much of our domestic policy. And *now* we have a domestic policy which is going to be based increasingly on international trade. And if it is, probably don't need to produce many of the products that are produced on our lands from *our* projects. You don't need to produce those products in the United States. I don't know, I'm speculating here, but we *are* going to enter into, I think, a period of rather rapid change.

### Reclamation and the Public Interest

Storey: One of the things I'm interested in, and I think we've discussed it from different angles before, is the issue of public interest. A number of people whom I've interviewed in the oral history program have talked about the public interest. You obviously feel very *strongly* about responsibilities to the public in terms of Reclamation. But for instance, I can go to, say, an irrigation district, I can go to a city, I can go to an environmental group, I can go to a manufacturing group, and solicit what they believe their public interest in Reclamation is. As a manager and a policy-maker for Reclamation, how do you sort through *which* public interest is the one that you're going to respond to? Or are you constantly balancing? What's the issue here? How do you sort it out so that it makes good, solid, intellectual, political, economic, whatever it is, sense, that you think needs to be made out of it?

Beard: Well, I've been here in Washington for over twenty years, and I guess I'm at peace with myself about this problem, because I think you can drive yourself nuts, struggling with this problem, "What's the right thing to do?" And I guess the conclusion that I've reached is (chuckles), it's like the old saying, "You dance with those that brung ya'." And, you know, the people that supported me, the people that urged me to take this job, and that supported me in getting this job, and the people who I've had the closest relationships with over the years, and who *I* personally . . . .

END SIDE 2, TAPE 1. OCTOBER 7, 1993.  
BEGIN SIDE 1, TAPE 2. OCTOBER 7, 1993.

Storey: This is Tape Two of an interview by Brit Storey with Commissioner Dan Beard on October 7, 1993.

Beard: Those people are going to be the ones to whom I'm going to listen the most. And it's not scientific at all. I mean, I think this is the direction, I personally believe the directions that I've articulated here previously are the directions we're going to have to go, and I'm very comfortable with sort of saying, "And I'm going to go that way. And I'm going to make decisions in that direction." I've been in and around politics for over twenty years—it's been my life. And I am a political animal. I consider myself today a politician. I don't consider myself to be a civil engineer, because I'm not. I have an academic background. But I'm a politician.

I didn't get this job because I was qualified, I got it based on who I knew and who knew me and who supported me. I got it through political means. I am going to pursue this job in a political fashion, and that is that I'm going to respond to certain constituencies who supported me and who I have supported over the years, and in *my* view, if that's *not* acceptable to the Secretary and the President, that is not what *they* want to pursue, then they'll ask me to leave, or I will leave myself. I didn't take this job . . . . I'm not in a job where you stay here for the rest of your life. I'm in a job where you get an opportunity to come in, you get an opportunity to make decisions, to give direction, to give emphasis, to give priority to certain things, and then your time—as Andy Warhol says, "your fifteen minutes of fame"—is up. At some point, your time is up, and then you move on. And then you have an opportunity to look back and say, "Well, what's my legacy? Well, my legacy was . . . . I emphasized these things . . . . And was it right? I don't know." It's part of the march of human history.

That sounds rather melodramatic, and I don't mean it to be, but in 1982 they made a very fundamental change in this organization. And I don't think anybody even thought about it. And that was that they decided to make the Commissioner of Reclamation's job to be a job that would be a presidential appointment with Senate confirmation. Prior to that, it had been a position that the Secretary could appoint. And the Secretary, with, I think up to that point only one exception that I know of, had appointed people who were civil engineers and who had engineering backgrounds. The only exception I knew of



up to that point was Bob Broadbent, who was really a politician from Las Vegas—and a good politician, I might add. But all of the other Reclamation Commissioners have been civil engineers, and they had civil engineering backgrounds. And in 1982 they changed that, and as a result you got different kinds of people: Bob Broadbent was a politician, Dale Duvall was a politician—he was an accountant from Spokane. Dennis Underwood was a Western water engineer, but I am *certainly* not an engineer. I’m a political figure. I’ve had political jobs.

So we changed the nature of the organization in 1982 when you changed who you put in charge. And who you put in charge really does dictate what happens in the agency. *I* set the agenda for this agency. I worked for the chairman of the committee, and somebody once said to me, “What’s the power of a chairman?” And I said (laughs), “It’s easy, it’s the agenda. You get to be the person who raps the gavel and says, ‘Today we’re going to talk about X, Y and Z. And you’re not talking about A, B, and C, you’re talking about . . . .’ You get to dictate what the agenda is, what it is we talk about, what it is we emphasize.” And that’s a very *powerful* . . . . I mean, that’s the only power that I have, if I have any power at all. But I have the power to be able to say, “We’re going to emphasize water conservation. Everybody work on water conservation.” And so we do! We work on other things, but just through the sheer force of my personality, and my ability to control what happens in this agency, I will control the agenda. And that’s the only power that I have. And by changing the nature of who we appoint to lead the organization, we’ve begun to change the organization. We’ve made it more political, I think. But we’ve also broken the power of what I would call the “civil engineering mentality” that we’ve had over the years. That’s an often-overlooked change in the organization itself.

### Characteristics of Bureaucracies

Storey: Yeah, that 1982 change, nobody’s ever pointed out before.

One of the characteristics of bureaucracies is their durability. And in a lot of people’s eyes, at least, their ability to resist changes that they don’t like. How do you deal with that kind of an issue if you run up against something that the bureaucracy doesn’t like?—I’m speaking strictly (chuckles) theoretically here now—from a position such as you’re in.

Beard: You have to be smarter than they are, so to speak. I thank God that the bureaucracy is resistant to change. It has been one of the reasons why we as a country still exist. In most other countries in the world, where there are rapid changes, things are settled with a gun, so to speak, or revolutions. And ours has been a very, very stable democracy—the longest and the stablest democracy in the world. And one of the reasons, *I* think, is . . . . In 1974, for example, Richard Nixon was on the ropes, and there was no coup d’etat, there was no overthrow of the government. There were institutions, and we followed the institutions.

I worked in the Congress where four hundred and thirty-five congressmen and a hundred senators would get together: and they represented every conceivable political viewpoint you could think of, from socialist and Communist to hard-core right-winger. And yet those five hundred and thirty-five people came together and were in an institution where they had to talk to each other every day, and to negotiate out settlements to the most fundamental and basic issues of our time—and they did it. And they did it because they knew that it was their job. Their job was to go there and to talk with those who they didn't agree with to try to find a common understanding where you could find enough common understanding, you could get a majority of people to agree, "Yeah, we can all agree to that," and then move forward with it. It was an absolutely fascinating institution from that regard. And I learned a lot in that. I learned a lot about how institutions operate, and how people operate. And I think that one of the advantages that I have over my predecessors, Dennis Underwood, for example, or Dale Duvall, and even Bob Broadbent, is that I've been in and around this institution for the last twenty years. I know what this agency and the people in this agency think. I know what their perspectives are, and I'm a good enough bureaucrat to know how people will resist change. And I think I'm crafty enough—is that the right phrase?—to be able to move the institution forward—I really do believe that. And I recognize that. I really think when I was here during the 1970s with the Carter Administration, I think the institution got the best of us. I think people burrowed, they hunkered down, they burrowed-in and they resisted change and they succeeded. I don't think change took hold, because I don't think the people in the institution wanted to do it.

That's why I've spent the first few months that I was here . . . . When I came in, people had this preconceived notion of who I was. Frankly, they thought I was the devil. They were all surprised when I got up in front of them and I didn't have horns on my head. I came with a reputation. I came with a reputation because that was the reputation the person that I worked for in the Congress, Congressman George Miller. But I've gone around, and I have *deliberately* gone around to Regional Offices and Project Offices and others, and *done my best* to let people know who I am, and that I do not have a threatening agenda, and that I am not out to destroy the institution. I've not come here with a wrecking ball. And I think that the institution is ready for change, and I think that if they perceive that I'm not here to destroy it . . . . And I think there is a reluctance on the part of some, enthusiasm on the part of others, that change is going to occur, and so let's go with it. Because they don't really have another choice. There isn't really another choice. The choice isn't, "Oh, well let's wait another four years for somebody *else* to come along," because the other political party—I'm a Democrat—the Republicans don't have any particular alternative to offer those in Reclamation who would resist change, because they aren't going to come along and offer anything. We just had twelve years of Republican rule in this agency, and they didn't really have an agenda for the agency either. And their agenda was sort of *no* agenda, for a while. And I'm offering . . . . You know, we have a patient dying of thirst here, and I'm wandering along with a bucket of water. I suppose the patient could say, "No, no, I want Perrier."

Storey: Oh, “I want wine.”

Beard: Yeah, “I want wine.” But I don’t think so. And I think that I’ve learned a lot. I’ve learned a lot in my career (chuckles) and I’m surprised at how much I *have* learned, but I’ve learned a lot, and I’ve learned how *not* to do things. And I think one of the “how nots” is, you don’t force a square peg into a round hole—you really try to work with the agency and work with the people in the institution to convince them that change is in their best interest, and that they *take* the change and they say, “Yes, I want to do this.” And once they do, and once they run forward with it, you’re home free. And I hope that I’ve managed to do that.

Storey: I’d sort of like to explore downsizing a little bit further if we may. You’ve mentioned that Reclamation is clearly going to downsize, and you’ve also mentioned that you hope to increase the diversity of the organization in terms of both skills, and I think “age” would be safe to say.

Beard: No. Less age. I don’t care so much about age, because I’m fifty, and I don’t mind have fifty-year-old people around. No, I’m more concerned about having women and minorities in executive positions, in positions throughout the organization. That to me is what diversity is about.

Storey: Where I’m leading is, we don’t have the diversity, we’re going to downsize *some*—we don’t, I suspect, know exactly how much. But aren’t we really going to downsize even more in order to get diversity? Do you understand what I’m asking you? I don’t know whether I’m asking it properly.

Beard: No, I think I understand. No, I mean, what you’re saying is, all other things being equal, are the people that are going to be added in the organization going to be a disproportionate number of women and minorities, as opposed to what we’ve had in the past? And I think the answer to that is yes.

Storey: No, that isn’t my question. I *presume* (chuckles) that’s what’s going to happen. But what I’m saying is, okay, we have to downsize to a certain size.

Beard: Right.

Storey: We’ll call it “X.” In order to get the diversity, the reality is that we’re going to have to downsize to X *minus* something, in order to get the diversity. So the downsizing is going to be somewhat larger than we actually think it’s going to be.

Beard: And then new hires would bring it back up to X?

Storey: That’s what I’m wondering, yeah.

Beard: I think that’s probably correct. I have *intentionally* avoided *any* reference in my discussions about numbers. And I still don’t have any idea about what numbers

we are going to eventually get down to. I have become a real advocate of “form follows function.” And what we need to do, or to decide what it is we as an agency should be doing, and then *look* to see, Now how many people do we need to do that? My guess is, as technology improves, and as the resources that we as managers and workers have at our disposal increase and improve, you don’t *need* as many people to do the job any more. Jobs are changing, too. I mean, we used to have, for example, in Federal agencies, *many* more secretaries and clerk typists than we do today, in the institution. And that’s because we have voice mail, we have computers, we have E-mail systems. All the electronic equipment that we have has displaced the need for the traditional secretary/clerk-typist. And that’s not bad, it’s a fact of life. And so I think that we will downsize, and we’ll probably downsize a little bit more than we would have, and then we’re going to have to hire some new people and create some diversity. We’ll have to see what happens. The President has asked for authority to offer incentives to encourage retirements. Since we have such an older work force, it may well be that there will be a larger number of retirements than we ever anticipated. So far, there haven’t been, but that’s because everybody’s sitting around waiting to find out what happens. Once they find out that they can get a \$25,000 bonus if they retire, I think that’s not an inconsequential bonus. And I think some people will take advantage of it.

Storey: But there’s a rumor in the Denver Office now that Interior’s been excluded, that Secretary Babbitt has said that we aren’t going to receive that.

Beard: Well, I’ve certainly have never heard that.

Storey: About Interior?

Beard: Yeah. Well, and even if they *did*, then people would have to crank that into the equation.

Storey: Why don’t we move on to the topic of the major issues confronting Reclamation nowadays that you think you’re going to have to deal with. And of course you’ve already discussed a lot of the sort of *policy* things. So here what I’m thinking more in terms of are specific, problematic issues that aren’t at that same policy level.

Beard: Well, I think when I said that twenty-five, the reference that I was going to talk about the major issues facing Reclamation and I got to twenty-five and gave up, I was really kidding. Actually, I had—I had sat and started to jot down all the major problems that we face, and the list gets to be so large that it becomes very difficult to try to make sense of everything, and try to address it in any sort of coherent fashion and in a brief fifteen minutes of remarks to people.

I think maybe the better way—because I could run through, I could talk about problems forever. I mean, I go in, I have an in-box filled with problems and they’ll go in the out-box and then a whole bunch will come in tomorrow or the next day. I like to think in terms of grouping these in terms of priorities.

What I've found in my work in the last few years is that the difference between those who really are successful in government service and those who are not, the difference is that those who are successful are successful because they're able to come into an organization and impose *their* agenda on the day-to-day activities of the organization, and get people working on *that* agenda, and then get other people to respond to that agenda.

Let me tell you what I mean: When I was with the committee, and I came down to visit Secretary [Manuel] Lujan's staff and we went to lunch—they had an executive dining room over here, since closed. It was closed by Secretary [Cecil] Andrus, opened by Secretary [James] Watt, and closed by Secretary [Bruce] Babbitt. Seems to be a certain theme there! But anyway, we went over to the executive dining room and we were sitting there and I was talking to Secretary [Manuel] Lujan's chief of staff, and I said, "What about such-and-such? It's a problem." And he said, "Yeah, you're absolutely right, and we've got a task force responding to that issue." I said, "Okay." Then I named some other problem. He said, "Yeah, absolutely right. We've got another task force working on the response." And it sort of struck me that here is Secretary Lujan, down here, creating task forces to respond to incoming shells from the opposition, or critics, or opponents, and yet he's not lobbying any back himself—if you want to speak about it in terms of a war analogy.

And that was the hallmark of the Bush Administration, where I think in the Reagan Administration, President Reagan and the executive branch officials really had an agenda, and the agenda was "less government was better, and if you didn't do anything that was really good." And, they were actually trying to tear down the machinery of government. That was their philosophy. In the Bush Administration, President Bush had a philosophy of coming in, sitting down in his chair, getting comfortable, and saying, "Okay, I'm ready. Now bring on the work." And things would come in his in-box and he would deal with them and put them in his out-box, and that was the President. And that's very much like Secretary [Manuel] Lujan: He would come in every day, sit down, say, "Okay, what's the problem of the day?" and they'd say, "Well, Congressman So-and-So says this." "Okay, let's respond to that." Now there's no initiation, no generation on *his* part as to his agenda. In fact, in the four years that Secretary Lujan was here, the only thing that I can think of—they only had two agendas that I can remember: one is . . . and I've forgotten what it was called, "Clean Up America," sort of a "go around and pick up litter on public lands." And initiating recycling of styrofoam cups and plates in the cafeteria. Those were the only two initiatives that I can remember from the Lujan years. And I was intimately familiar with it, because I was up in the Congress receiving their initiatives—or they didn't *have* any initiatives.

But what *I've* found is that—and my philosophy of government is—my philosophy is a philosophy of advocacy. I happen to think that we're here, that government performs a certain function and activities, and that we ought to advocate those and we ought to pursue those to the maximum extent we possibly can, within budgetary constraints, and personnel constraints, and all the political

constraints that we have. And that you're going to be successful when you have an agenda, an affirmative agenda, and people are responding to *you*, because now they're playing the game on *your* turf, on *your* terms, and on *your* conditions. If you're constantly playing *their* game, on *their* terms and conditions, you're always at a disadvantage. And so my philosophy is, I ought to come in here with an agenda, which I have. I'm going to restructure the agency so that it has a new attitude, a new approach. And then I have initiatives that I want to pursue, and I'm going to pursue those, and I'm going to pursue them to the point where somebody tells me, "You can't pursue them any more." And when that point arrives, I will then have to be able to step back and say, "Okay, do I want to continue?" And if I don't, then I'll go on to . . . . As I tell my wife, "I'll go get a *good* job, then."

That's how I personally view my philosophy in what I ought to be doing here. I ought to have an agenda, I ought to actively pursue the agenda, I ought to do everything I possibly can to get it done, and then when I can't do it any more, that's it. It's a rather fatalistic philosophy, isn't it? (laughs)

Storey: But it works!

The National Program Review [NPR]. It's very convenient, I have trouble with these acronyms, but NPR also means National Public Radio, so I can remember I have to create this.

What problems and opportunities do you see for Reclamation in NPR? Or maybe I should say, Where do you see we might lose things that we currently *do*, and what might we gain from it? would be another perspective on the same question.

Beard: Well, I think—it's National Performance Review, NPR. NPR presents us with a great opportunity. I was sitting here trying to think back, historically. I can't think of a President of the United States or a Vice President who has initiated such a broad number of initiatives to try to make Federal agencies work better. I'm struggling—there must have been some, but boy I can't think back. There was the Hoover Commission in the early 50s, but this is the first time that I can think of where the President and the Vice President have come out and have *strongly* pushed for a set of initiatives which are aimed at making *all* government agencies more efficient. And I would say to you that I've read that report, and if we do *half* of what is outlined in that report, it'll revolutionize the way Federal agencies do business. I am, I guess, cynical enough to think that most of what is laid out there, that are just administrative actions we could do tomorrow with no change in law, are not going to get done. I'm that cynical. But even if we only do *that* much, half of that, it'll completely revolutionize the way we do business. And I think that presents us with a *great* opportunity to do things differently, and to do them cheaper, easier, and faster. And I'm excited about it, I really am. I'm kind of . . . . I don't know how to put this. I'm "cringing," if you will, because I'm afraid—I'm just cynical enough and afraid enough that what's in the NPR is not going to come to fruition because the

forces that stop reform or improvements, if you will, will grind some of these initiatives to a halt. But I've got to believe that they really do want to do this, and so I'm going to pursue them to the maximum extent that I can.

It presents us with a great opportunity. The way I plan to characterize all of our initiatives that we're going to do . . . . I mean, it's one thing for me to stand up and say, "Look, Dan Beard thinks we ought to manage this agency the following way . . . ." Well, you know, that may work, or it may not work. But it's another thing for me to stand up and say, "The President of the United States has instructed me to operate the agency in this way." Now, that sends a hell of a lot different message, and it'll help me do my job differently, and I think that it'll help us get these reforms through, and to change the way we do business.

Storey: Is there anything else that you think we ought to talk about?

### Role of the Press

Beard: No, I think that as we go through, maybe in the future, every six months or so, we might want to chat about maybe major issues that sort of come along. There's *lots* of major issues that are out there, and do something like this. I think that it might be useful. Maybe we even might want to have conversations on a thematic basis: Central Arizona Project, for example, or Central Valley Improvement Act and what's happened and why. I think that might be useful.

I think I've pretty much covered . . . . I don't know whether in any of the previous tapes I've talked about how I *intend* to do business, but one of the things that I think that *I've* felt as I've watched other agency officials proceed, is that to be effective in this business, I think you have to be able to balance press coverage and working with the press, and working with people on The Hill, and working with people in the agency and the rest of government: and balancing those three (chuckles) things is the challenge that I as an agency official have. I am of the belief that—and it's kind of interesting that I've developed this belief. It's hardly astounding. I have come to appreciate the power of the press, the power of the media as an institution to shape perceptions.

I learned early on, particularly in the Carter Administration, where I went out and I did policy, I wrote policy, and they were *good* policies: they were effective, efficient, and all the rest of it. And yet when they came out, they were perceived by the press—who never even read the damned things—as being something completely different. They were totally mischaracterized. In fact, they were *wrong*! They didn't *read* it. And it was always a lesson to me that you could have the best . . . . You could have it written as *clear* as you wanted it, and unless people *read* it or *perceived* it to be what it is you said it was, that it wouldn't work. And so I have, in the last eight years when I worked in the Congress, I gained an appreciation for the role that public affairs plays in creating impressions, in helping people develop and implement policies and change. And so one of the things that I have spent a lot of time doing, since I've been here, is working to develop a very good working relationship with the

press—both the print media as well as the electronic media, radio and TV. And I intend to try to do a better job than any other Commissioner has done, of getting good press and selling my themes: the things that I want to do, selling those, articulating those, and making that publicly known. I really think that if . . .

END SIDE 1, TAPE 2. OCTOBER 7, 1993.

BEGIN SIDE 2, TAPE 2. OCTOBER 7, 1993.

Beard: . . . agency. I think the biggest problem I have is communication. I find it very difficult—how do I communicate with seven thousand five hundred people? How do I communicate to them what my philosophy is, what I want them to *do*. Because most people will say, “Hey, tell me what to do, and I’ll do it. That’s my job.” And I have just become convinced that everybody in the agency reads the newspaper, and they understand press and they understand perceptions that are created by public images. And the only way that I can see that I can go out and I can sell my agenda to my employees, the people that I work with, is to go out to the press. And I think if the press paints me as a certain person, and with a certain agenda, I can do that. That translates into the staff people here, the people who work in this agency read that. *They* understand it and they say, “Oh, okay, that’s the direction that we’re going to go.”

I mean, I have an office in Oklahoma. I doubt I’ll ever *get* to Oklahoma, I doubt I’ll ever *meet* any of those people, much less communicate with them. I mean, I’m sure I *will*, at some point. But how do I get it across to them? Well, they’re like anybody else—they read the clips. And so working with the press, it creates an impression of *me* for public consumption, but it also helps me communicate with the employees of this organization to get my agenda through, and to get them working on the things that *I* hope they’ll work on.

So that’s why I think you’ll find that over time that I’ll be a different Commissioner than any that we’ve ever had. I have spent more time working on press, and developing a relationship, and I think over time I’ll do a much better job at it. If I don’t (chuckles) I’ll burn out real quick. But I think that it’s really important for us as an organization. It builds confidence. It builds confidence that I’m part of a team that’s . . . How do I want to put this? When I worked for George Miller I was always proud of the fact that my boss was in the paper and he was talking about this problem or that problem, and I was part of it. That’s part of why you’re working here. That’s exciting! I’m working on this issue or that issue, and you pick up a *Time* magazine and you read a story about the West, and in there is stuff about water. I mean, you know, “Yeah, that’s my agency! That’s what I do!”

I think it also creates—it helps me build a perception of being an effective person who is in charge of an agency. So that’ll be one of the challenges. And I find it, frankly, kind of a . . . How do I put this? I find it kind of a, personally, a very big challenge for me, because I have never done that before. I have always been a staff person and the best congressional staff people are the ones nobody has ever met. I mean, you’re silent. Your job is to make your *boss* look



good. And now I've got to somehow go out there and make *myself* look good (chuckles) on behalf of Secretary Babbitt and the President.

Storey: Yeah. And of course what you're talking about is how you deal with people and communicate with them.

One of the topics of conversation that's going on—around the lunch table again . . . .

Beard: I want to meet this lunch table! (laughter)

Storey: It changes all the time—it isn't just one group, I have to say. Is, how's he going to get folks on The Hill and the Secretary and so on to buy-into the reorganization?

### **Getting The Hill to Buy into Reclamation's Reorganization**

Beard: No problem. Working with Capitol Hill is something that I can do at the drop of a hat. I've spent my entire professional life there, it's what I know how to do, and I don't see any trouble at all with The Hill. I know how to articulate it to people, I know who to talk to. I don't think I'm going to have a problem. The Secretary [Bruce Babbitt], I've already talked to. I've told the Secretary what I'm doing, and the Secretary has told me, "Keep going." This is a Secretary with a lot of problems elsewhere. He's got problems on grazing fees and mining law and parks and other things. And frankly, he doesn't need a lot of problems in the water area. And my job is to keep those problems from coming to his doorstep. But he has been very encouraging. Both he and the Assistant Secretary [Elizabeth (Betsy) Rieke] have been very encouraging. And the President and Vice President are real easy—I'm doing exactly what they told me to do! (laughs) So that part's going to be easy.

The Hill: I've already visited The Hill about our reforms and changes. I've already got the support of the Authorizing Committee. I'm going to go up and see the Appropriations Committee. I'm going to work with Republicans, I'm going to work with Democrats. That's not going to be a problem for me. *That's* the easiest thing I do! I mean, that's like going home, frankly. I mean, I'm so comfortable there, it's almost sad. I mean, I've spent my entire professional life there, other than the four years I spent at the Interior Department, and odd bits and pieces lobbying. I've spent my entire life in the Congress, and I'm as comfortable as anybody can be in those surroundings. And I go up there, and they're all my friends. I mean, my personal friends and my professional associates. That's where I came from. So that won't be a problem.

Storey: It's already in the works?

Beard: Oh, absolutely. I mean, you know, *I* don't run off and *do* anything, unless *I* know that I'm going to have support on The Hill and how I'm going to get that support. I've talked to Senator [William] Bradley, Senator [J. Bennett]

Johnston, Congressman [George] Miller, Congressman [Vic] Fazio. That part's easy.

Storey: Good! I appreciate it. Once again, I need to ask you the standard closing question about making the materials available for research by Reclamation staff and non-Reclamation [researchers]. I presume you continue to want everything closed.

Beard: I do, until I leave. That's my preference. And certainly I hope that when I *do* leave that they'll be open to anybody—including *me*, to write my memoirs! (laughs)

Storey: Yes! Thank you.

END SIDE 2, TAPE 2. OCTOBER 7, 1993.  
BEGIN SIDE 1, TAPE 1. APRIL 25, 1994

This is Brit Allan Storey, Senior Historian of the Bureau of Reclamation, interviewing Daniel Beard, Commissioner of the Bureau of Reclamation, in his offices at the Main Interior Building in Washington, D.C., at about one o'clock in the afternoon, on April 25, 1994. This is Tape One.

### Personal and Personnel Issues in Reorganization

Storey: Well, Mr. Beard, I was wondering, in coming over from the Congress, of course, you changed personnel systems. The civil service rules are quite a change in the way you have to approach things. I was wondering if that presented any problems to you in getting into the reorganization, and then what kinds of personnel problems have we run into at Reclamation in trying to achieve a reorganization?

Beard: Well, let me take the first part of that, because I think that the biggest change that has occurred as a result of my coming from the Congress, has really been in my own personality and the way that I operate. I spent the first twenty years of my life as a professional in a staff capacity. And my job was to make other people look good. I assisted at the Library of Congress, I worked for Congressman Yates. Even when I worked here in the Interior Department in the '70s I really considered myself as a deputy assistant secretary—your job is to make either the assistant secretary or the secretary look good. And then the same thing when I worked with Congressman [George] Miller. It didn't matter so much what the capacity was—what the job was, essentially, the job boiled down to a very simple thing, and that is, you came in every day and tried to find ways to make George Miller look good.

When I came here, I went through a slight . . . Really, a period of time—probably a month or so—where I really had to . . . reappraise who I was and how I operated, because when you are in charge of an organization that has—at the time 7,500 people—it became very obvious to me early-on that I couldn't

manage an organization that big. The only thing that I could do would be to lead it. And if you're going to be a leader, instead of a manager, you really have a different set of responsibilities. And the responsibilities are really more of setting tone, direction, emphasis, and leaving to others the responsibility to do the day-to-day managing and decision-making. And I didn't actually start out, when I took this job, really thinking that. But after about a month, it sort of dawned on me, and I think it dawned on me after sitting here one day in the office and plowing through a big in-box filled with paper, where people were asking me to make lots of decisions which I really didn't have to make. These were decisions that could have been made by other people at other levels in the organization.

That was at the point that I really began to think about this whole question about management versus leadership. And I really made a decision early-on that what I had to be was a leader and not a manager. And as a leader, I had to divorce myself from day-to-day decision-making, so to speak, and leave a lot of that to others, and to really concentrate on setting the tone and the direction for the agency. And that change, that metamorphosis, if you will, has really had a lot to do with influencing the kinds of decisions that I've made, particularly with respect to reinventing the Bureau of Reclamation, or reorganizing it over the last eleven months that I've been here. I've really chosen to . . . . I initially felt very uncomfortable with this concept of delegating responsibility out into the field. I had the same reaction most people do, which is, "I can make that decision better, and I can't trust people out there to make it."

But I really began to, as I went around and met people in the organization, I really learned . . . . I guess I got comfortable with the feeling that people out in the field really *could* make those decisions, and they *would* make good decisions if they felt they had support from the top. And that they would make these decisions if they really felt that they were being asked to. So I struggled with this initially. And after a while I really became much more comfortable with it, because I think when you sit down and look at in a very cold analytical fashion, you don't really have any other alternative. If you're really going to lead 7,400 people, you can't lead them by making every decision—you have to trust others, you have to delegate. And all that you can do is set a tone, set the parameters within which you want decisions to be made, and then make sure that you do a good job of getting the right people in the right places to make the right decisions. And make sure that they have the resources and the capabilities to do that.

I made that decision early-on, and I've had trouble . . . . Well, it was a *challenge* I think, the first three or four months in the job, trying to adjust to being *in charge* of an organization, as opposed to being a staff person working for somebody else who was in charge. I have this tendency, because my whole experience, my whole professional life, has been to sit down at a typewriter or word processor and type out a speech for somebody, or type out a memo. And now suddenly I'm the person that's receiving the speech and receiving the memo. And trying to *prevent* myself from physically sitting down and doing it

myself, and encouraging others to do it for me, has been the *most* difficult thing—“getting my fingers out of the pie,” so to speak—has been a *very* difficult thing to do, because I was successful at what I did in my previous capacities, and I was successful because I was good at it. And now, it’s sort of the Peter Principle: Now that you are successful doing that, you’re put into a new capacity, and then suddenly you’ve got to operate completely differently.

And you’re asked to operate, in a way, without any formal training. For example, if somebody came along and said, “We’re going to make you an airline pilot,” I would look at them and say, “You can’t do that! That’s impossible, I don’t have the training, I’d kill people, I’d kill *myself*!” And conversely, people came along and said, “Okay, we’re going to put you in charge of 7,500 people. Well, I wasn’t *trained* for it. So I found a real struggle in trying to make that transition, and I’ve had to work very hard at talking to as many people as I possibly could who lead larger organizations and talk to them about “What is it you do? How do you do it? What advice do you have?” and so forth. And I’ve talked to a lot of people. I think that I feel comfortable. I feel very *proud* of the job that we’ve done so far. We’ve made some mistakes, but not as many as I thought we would make. And we’ve been able to develop an agenda and pursue that agenda, which has been the critical thing. We’ve not “deviated from the agenda,” so to speak.

But this whole question of How do you lead an organization? How do you provide leadership skills? There simply is no school, no course, no training that you can take for it. It’s been a real challenge, and frankly it’s been an *interesting* challenge. I’ve found it interesting because in my previous job I was probably a little bored. I mean, it was sort of . . . . You know, each congressman’s [term] is two years long, there’s up and downs that were very regular to the process, and to the calendar. I was getting a little bored with it, and I found that the new challenges that *I* faced when I came to this job have been really exciting.

### Deciding What to Become Involved in

- Storey: How are you sorting out, in your own mind, what you should and should not be involved in?
- Beard: (sigh) Oh, you struggle with it. I think you struggle with it every day. I go back to the agenda that I laid out in the very beginning. In the simplest of terms, I laid out as an agenda that I wanted to change this organization: I wanted to not only change it, but change it permanently—redirect it and give it a new direction, a new focus, and new momentum. And we’ve been very lucky in some ways. I think we’ve been smart in some of the decisions we’ve made and the way that we’ve *made* decisions so that they dovetailed with other events that were occurring. But I think it’s a constant struggle, what you should dabble in and what you shouldn’t dabble in. And I think time management is clearly the most important problem that I have, and the most difficult problem that I have.

I have to juggle—I have to make sure that I get around to see certain interests groups so that I don't get criticized for not seeing them. And there's so many interest groups, and you know, there's seventeen Western states. And I've gotten around to, at this point, sixteen. In eleven months, I've gotten to sixteen, or *fifteen* of the seventeen Western states. I've only missed Oklahoma and Kansas as states that I have not visited. And I've gotten around to most of our large concentrations of people. But I'm sort of tugged and pulled by a lot of various kinds of events.

I mean, I have chosen not to engage myself on a day-to-day basis as a sort of what I would call an “administration groupie.” In other words, I've chosen consciously *not* to involve myself in the day-to-day events that have occurred within the administration itself. *I've* sort of made the decision that that's Betsy Rieke job, and that's the job of other people in this administration, to worry about water issues within the Department of Interior. And I have tried to avoid going to every water user group that meets, every time they meet—because I've gone to a few, and I'll go to the minimum number possible so that I don't alienate those groups, or snub them—and I don't mean to do that, but I have other things that I really think I need to emphasize: agenda items that *I* think are particularly important that I want to try to emphasize, such as water conservation, wastewater reclamation or reuse. And I've taken a *lot* of trips and done things in *those* areas which I'm trying to . . . . Every time I go somewhere, if you do it right, you make headlines and you . . . create the sense of, the impression of movement, just by going somewhere. It tends to highlight it. And so I've worked very hard at trying to highlight those things that are important to me and to my agenda.

I'm also balancing that off against my family considerations. I have two older children, and then I have one child still at home who's in the third grade, and a wife. And frankly, being away for weeks at a time is just not something I *want* to do personally, nor is it . . . . It's just something I *can't* do. It's just something that I've never done in the past and I don't have any interest in doing. So I've done a lot of two-day trips, where I leave Wednesday evening and come back Friday night, in an attempt to . . . . And I've averaged being away about—with the exception of around the holidays—really, since last September or October, I've been on the road about two days a week. And that was sort of intentional on my part: go out, do short trips, and get back so that I can sort of balance my personal life against your sort of professional life. And I've had to give up some things on that. I've given up a lot of internal administration activities which I could have done, but have chosen not to do.

### **Communicating with Reclamation's Employees**

Storey: One of the things I'm interested in, as you go into this transition, is how do you convey to so many different decision-makers out there in Reclamation, sort of the foundations from which they get to operate, the political decisions that have been made, the things that are changing under their feet, literally, and also changing the way they deal with traditional constituencies. How do you

effectively communicate that?

Beard: Probably the most difficult job that you have—and I think it goes back to this issue of being a leader as opposed to being a manager—I happen to be very good at publicity. I happen to think that the one way that I can communicate that is to get a lot of publicity. And I don't think *any* Reclamation Commissioner before me has . . . . I'm better at it than any of my predecessors, let's just put it that way. And I'm better at it because I work at it, and it's something that I know well, and I like. I mean, let's see, I've been here eleven months, I'll be on *ABC Nightly News* tonight, and I think I've been on the nightly news at least three or four times. I've had articles about what we're doing in the *Wall Street Journal*, *The Washington Post*, *The L.A. Times*—every major newspaper in the United States, and certainly a lot of regional newspapers. We're very good at getting publicity.

Now it's not like I'm trying to be a publicity hound, but how *do* you communicate to 7,500 people? Well, you can't go talk to them all individually every day. And as a result, I have to set a tone and speak out so that others carry my voice to those people. And so that's why I've concentrated a lot on trying to make sure that what I do, I do it in a way that gets publicity. I'm not trying to sway public opinion in the Western United States—I can't do that anyway. What *I'm* trying to do is get my message out to those who work for me and those who are connected to our program, so they have a *relationship* with our program, so that *they* know what I'm saying, because it's the only way that I think we can do it.

I've done some things internally since our reorganization: I've set up two groups. One I've just called "the group," which is just really the Program Heads here, the Operations Head, and the Policy and External Affairs, and the Program Analysis directors, plus the regional directors [RDs], and then the head of the Denver Technical Center. We're going to meet, probably once a month, to talk about corporate issues. We *have* met, already, about once every six weeks. We'll probably get that down to about once every four weeks. And we have, in the past, sort of flown and congregated in a single place. I'm going to start using the teleconference as a means for doing that. And then I've also set up another organization which I call the Executive Leadership Committee, and *that* organization is composed of the regional directors and the area managers, and the program heads as well. The reason I've set that group up—and we're going to meet four times a year—we've met once already, we're meeting again next week for our second time. The purpose of that group is—it has two purposes—first day, to talk about corporate issues: Where are we in water conservation? What are we doing on this? What are we doing on that?—to communicate amongst ourselves. But then a second day, what I've done is, I've hired the University of Colorado Law School and Natural Resources Law Center to put on an educational curriculum, over this two-year period of time, to try to educate our area managers and get debate and dialogue and discussion going amongst them about what changes are taking place in water resources. And in a sense to try to get us talking to ourselves about common problems, and try to develop a better

understanding between me and them and vice versa.

So I've done that. We also are going to communicate with our Area managers once a month on a teleconference as well. So every two weeks I'll have a teleconference that will just be—one session will be the Area managers and the RDs, the next one will be essentially the RDs. And then we'll have just once every three months, actually physically get together with these groups. You do that. I think we're trying to look at using our computer system to be able to send messages and reports and information around. We're trying to make greater use of the teleconference itself. We had one teleconference which we referred to as a "brown bag."

One of the things we haven't done well in Reclamation is, we haven't sat down and talked about issues and allowed everyone to kind of throw out whatever zany idea they have. We've been such a disciplined, structured organization, that everything was done through paper. And if you had a crazy idea and you wanted to sort of throw it out, not only was there no forum, but if you did, the organization was not at all *interested* in new ideas or *different* ideas, and that's, I think, been our downfall on a lot of issues. I think that we've gotten ourselves into a bind on certain issues, because we didn't open up the process to allow all points of view to be considered. And that's been historical. That's one of the things *I've* been trying to change, is to get open debate, discussion, and dialogue going.

I've done evaluation cards as a means of trying to . . . . It was very intentional on my part—I guess you can make these part of the record—but they're called an Employee Comment Card, and I've asked people about "How are we doing on communication, cooperation, empowerment, and recognition and rewards?" and then what ideas they had. And I've distributed this card to every employee in Reclamation. And I've sat down and physically written a response to everybody who sends it in. I'm not through yet, because . . . . I was doing okay until Denver came in, and then I just got swamped. So I'm trying to work my way through. But I suppose I've responded to at least a couple hundred with handwritten notes. It's intentional on my part.

I'm very interested in knowing what people think, what's on their mind. And I'm very interested in ideas that people have. And you'd just be shocked at some of the ideas. I mean, about fifty percent of the responses are—people write their name on it, so you know who it is, and their address and phone number—but there are some *really* great ideas in there. And there is this *wealth* of information that really lies within our organization, and somehow we have to do a much better job of harnessing that. And so I've sent these around and I intend to continue it, and to try to promote it as a means by which people can talk directly to me.

People *do* write me notes or memos or send me things on the LAN [Local Area Network using computers], and I respond back to each one of them, because I really feel, once people out there sort of say, "Gee, if you *do* write the

guy a note, he'll write back to you. There's this sense of identity and relationship with the top management in an organization, that you just don't have in a normal organization. People really appreciate the opportunity that at least there's an avenue by which they can voice their frustrations or their opinions. I've run into a lot of people that said, "Thank you for . . ."—*several* people I've run into who said, "Thank you for doing these." And I said, "So did you send me a card?" And they said, "Oh no, I didn't send you anything, but the fact that you *did* it was nice!" And as I said, some have been *really* fascinating.

Some just say, "Dear Beard, you're a jerk." And that's not of much help to me. If they'd say, "Dear Beard, you're a jerk *because . . .*" I would learn something from it. But I get a lot of those, and then they don't sign them, and so there's not much you can say. Somebody thinks you're a jerk—well, that's sort of it. It doesn't *help* me a lot. I get kind of . . . It kind of bums you out reading some of these. But I've been surprised. I've gotten fewer of those than I thought that I would, because I think people *like* this organization. They happen to like the organization, they like working here, and they care about it.

Storey: And a lot of them are very concerned about whether they're going to be working for it in a few months, also.

Beard: Sure.

Storey: What kinds of problems have you run into in the reorganization, maybe that were unanticipated?

### Reorganization Problems and Issues

Beard: Oh, I think I made some mistakes early-on. When I set up the CPORT [Commissioner's Program Organization and Review Team] group I didn't include anybody from Denver, and I should have done that. That was just a mistake on my part, and I kind of dug myself a hole with that.

Oh . . . (sigh) the biggest problem that I had is that although we did it *fast*, we didn't do it fast enough. I went over to the Postal Service and met with their officials about How do you go about a major reorganization like this? And the advice that they gave me was, "Whatever you do, do it fast. Do it as quickly as you possibly can." Now in Federal service, that's never fast enough. And the anxiety level goes up, and then people sit around and stew about that, because it directly affects them. And I think that we did it as fast as we could, but it just wasn't fast enough. We should have found ways to really "keep our foot on the floor," so to speak. But other sort of events pulled me away, and I couldn't get back to them a lot of times. So you'd have like a two- or three-week down time while I was off chasing some fire somewhere, and then get back to it. I think that was a problem.

I think what we did is, we had the CPORT group, we had the REOEI, Reclamation Employees [Organization] for Ethics and Integrity, look at it and



comment, then we had the old Executive Management Committee review it, and then I made decisions in November, and announced them. But between November and whenever . . . . When did I make these decisions? I've forgotten exactly when we announced them. (pause) It was in April. Yeah, it was in April.

Storey: I think it was.

Beard: Mid-April. Between November first and mid-April, what happened was that we sat back and looked at where we were, and we had to do implementation plans, figure out how we were going to implement the decisions we'd made, and then what we ran into immediately was, the biggest problem was dealing with the Senior Executive Service. We have too many and we needed to have fewer. And we had to then take care of the senior executives first. Then we could put together the structure and then implement the structure. And I think we gave too much time to the senior executives to make up their minds, I think in retrospect. We dealt with it—really, it took us ninety days or so to work through that with each one of them. And it really meant working through with the senior executives in Denver, more than anything else. But that took too much time.

I think that to do it all over again, obviously I would compress all of that. I think we were prepared for the kind of systemic problems that come from a reorganization—for example, most employees out there are convinced that there's a secret agenda: that Dan Beard has in his desk a list and that list has on it the names of the people who are going to stay here and the people who are going to get fired. Well, Dan Beard doesn't have a list, and no matter how many times you tell people that you don't have a list, or there's no "secret" agenda, they don't believe you. Now, I was *told* that in the beginning by management consultants and when I talked to other agencies that did this. They said, "Just be prepared for this, because that's the one thing you'll run into, that there is the "secret agenda," and if you just be *honest* with us, and tell us what's *really* going on . . . ." Well, if you go out and you're as honest with people as you can be, and say, "We're going to downsize." "How much?" "I don't know. We're putting together a plan to tell us. Our size is going to be dictated by the program." "Well, how big is that?" "I don't know yet, but we're working it out."

I think some things were handled exceptionally well. I thought given the problems that we had, they were handled well in Denver. If they would have been handled worse, we would have had a disaster on our hands. I mean, it's disastrous as it is anyway. But it was handled . . . . We worked very hard in the beginning to say, "There will be no secret meetings, no secret pieces of paper. Every piece of paper, every meeting is open to anybody who wants to join. And that anybody in management, or anybody connected with us will answer any question that any employee gives." And that was the right decision to make. And even then, there were people still wandering around going, "Ahhhh, it's all a secret plot." There was also a lot of people wandering around going, "This doesn't mean anything." You know, just sort of the "disbelief" people.

And I think we were lucky. I think that the buy-out legislation coming along when it did: between when the buy-out legislation was passed in late March—today is the twenty-fifth of April—eight hundred and eighteen people have chosen to participate in the buy-out legislation. That's 11 percent of our work force has chosen to retire. And *most* will be off the roles by May third, which is like eight or nine days from now. And the few that we've given extensions to will be off the payroll by the first of October, so that we have lost 11 percent of our work force within the last month. Our size in other areas is still going to have to go down further—in Denver, for example. We're still going to have to . . . .

END SIDE 1, TAPE 1. APRIL 25, 1994.

BEGIN SIDE 2, TAPE 1. APRIL 25, 1994.

Beard: Well I think that we've been very lucky that this legislation came along when it did, and it has made it much easier for us to respond to the kind of challenges that our reorganization has really meant for us.

Storey: We don't need to discuss it further, but there are a lot of people who are convinced that the secret agenda is "destroying Reclamation," no matter how many times you talk about it.

### **Comment on Employees' Belief That He Wishes to "Destroy" Reclamation**

Beard: Well I think that that's right. I think that it's right in the sense that I *want* to destroy the *old* Reclamation. I wouldn't work this hard, and put this much time and effort into destroying an organization and leaving nothing there . . . . I'll tell you, it's a lot simpler to do *that* than it is what *I've* done. I mean, if that was what the agenda is, that would be *easy*, because I could run out and just start cutting my budget. I could cut it by \$200-\$250 million and send it up to the Congress and pound away at the need for living with those cuts. Now, the Congress would add some money back in, but believe me, if I wanted to *destroy* the agency, it's a lot easier than trying to *reshape* it, because reshaping it takes *energy* and *effort* and *time*. What we're doing here, if there's a secret agenda, *yes* we're trying to get out of certain activities and functions, and *yes* we need to downsize to a smaller program.

But our program is going to go down, and then it's going to come back up, because we're transitioning over to some things like wastewater reclamation and reuse, conservation projects, and a lot of other kinds of things that are new initiatives in our budget that are going to actually take our budget up in the out years, not down. Our budget is probably going to go back up again. But it's going to go back up, and it's going to have different things in it than what it had before. And I guess people say, "You're trying to destroy Reclamation," and I think they're right; in one sense they are, I *am!* I'm trying to destroy the *old* Reclamation, because the old Reclamation has *no* future, *none!* I mean, there are no projects left to build anywhere, so why do we need all these people that are sitting around waiting to design the next project? They have nothing to do.

So unfortunately we have to transition to what our future is. And our future is managing our resources, helping state and local governments to solve problems, being a pass-through budget, so others can construct projects, because we don't need to construct them. Why have the Federal government do it? And working on restoration of ecosystems, such as endangered species work. But it's really . . . . There are so many people that are sitting around, pleading for the return of the good old days, and the good old days are gone, they'll never return. It would have been easy for me to come in here, *I* could have come in here and had a *wonderful* time, for two or three years, and just simply *run* the old Reclamation—just let it sort of just perk right along. I could have done *none* of this. You know, decrease a few budgets here, move a little bit there, make a few decisions. It would have been very simple—just maintain the status quo. But that wasn't what I was hired to do. I was hired to come in and change the organization, and change it I will! And I'll do it until they throw me out! (chuckles) you know, at some point.

I think we've managed to avoid great controversy, and that's been to our benefit. I think it's very important . . . . There isn't the forum where I can talk to employees about this, and as many times as I say it, I've gone out, and every meeting I say, "We have an exciting future," which I *really* believe. We in this organization have a *great* future, but it's a different future than what our employees think. It's not the old Reclamation in the year 2000, it's a *new* agency out in the year 2000. And I think we're going to make it. I kind of had my doubts about six months ago, but I really think we're going to make it. The wonderful thing about a bureaucracy is, once you get it going in one direction, it's tough to stop it. (chuckles) And it's started down the road. All the processes and procedures have started, and once it gets going, it picks up speed. It's just like a snowball running down a hill. It'll come to pass.

Storey: That's what bureaucracies are specifically designed for!

Beard: Yeah, they're very good at that.

Storey: One of the things I'm interested in, and I think I've seen some of it in Denver, communications is a two-edged sword. The more you communicate, the more people know, the more there is to misunderstand, and you sort of are digging yourself into a trap, *in one sense*, especially when people—as is the case in Reclamation in a lot of arenas—are upset about what's going on, and they're disturbed and uncertain about what's going to happen to them. Have you seen any of these kinds of communications problems or issues as you have dealt with this?

Beard: No. I guess it's just . . . . I firmly believe with every fiber of my body that . . . you're dealing with highly-intelligent people who . . . all you can do is just give them all the information you can, and tell them exactly what's going on, and being very blunt and very honest with people, and as forthcoming as you possibly can be with *every* piece of information, and let the chips fall where they may. I just think trying to play games . . . . It's the old adage, "If you start to

lie, you've got to keep covering up the lie." And it takes too much effort after a while. And I think one of the problems has been is that I *have* been honest, that I have been blunt with people.

I mean, they say to me, "We want to do contracting out," and my answer to that is "No." Okay, next question. And they say, "Well, why?" And I say, "Why? Because we need everybody on board *here* to do Reclamation's work. I'm not going to start contracting out a whole group of people here to work on the EPA's [Environmental Protection Agency's] problems. If EPA wants these people, they can hire them, but we're not going to do that. End of discussion."

Now, it's always fascinated me in government service. There's two sort of prevailing views that many people in Federal employment maintain. The first is that they're guaranteed a job for life. "I came here, I was hired, I should be here for the rest of my life." Well, the answer to that is, "No, you shouldn't." I mean, you were *hired* and it may be that we no longer need you. I mean, that we no longer need this function, and we are going to eliminate it." Now that's a frustration that people in government service, a lot of people don't understand. Now some of them really *do* understand it. They say, "Hold it here! We're obsolete! Or what we're doing is not in demand any more." That's the first problem you have.

The second problem I've run into is that some people have this perception that this organization ought to be run sort of like a majority vote. Well, the answer to that is "No!" I was appointed by the President, I was confirmed by the Senate, *to make decisions*. I'm hired by the secretary, *to make decisions*. And it's not a democracy. I mean, with all due respect! I am asked to make decisions, and I do. Now if people don't *like* those decisions, then they have a choice, they can go work elsewhere, or they can try to get the decisions overturned or changed, and in a democracy that's a perfectly acceptable approach: they go to the union or you write letters, or whatever. But when they lose, they lose, and we go on. And I'm not *in* this job to make friends. I'm in this job to do what I was hired and brought here to do, which is to change it, and change it I will! And then when I leave, people can say, "Well, he either did a good job or a bad job."

It's a frustration to me, because people write these comment cards to me and they say, "Well, I just don't like the way you're going." "Well, thank you, I appreciate that, but I don't agree with you (chuckles), and you're entitled to your opinion. And now you have a choice: you can either fly in formation with the rest of us, or fly in formation with another group of ducks somewhere. Because *this* formation is going in a certain direction, and you either come with us, or go someplace else." And I don't mean that to be harsh, because I really respect people's judgement and their views, and I will consider them, but I'm not going to . . . . Because if you sat around and said, "Okay, what does everybody think?" well, the answer is, you're going to get about—you get ten people in Reclamation in a room, you're going to get eleven different ideas. So, at some point, you've just sort of got to say to yourself, "I'm going to make a decision here, and that's

the end of it. We've got a decision, now we're going to move."

### How Technology and Education Make Simplification of the Bureau's Organization Chart Possible

Storey: One of the things that I'm particularly interested in about the reorganization in Reclamation—and I think it's a trend in other agencies and in private industry, is this so called "flattening" trend. In my case, I think under the old organization, there were nine layers between myself and yourself. Now if I'm figuring it correctly, you might be the third layer above me, rather than the ninth layer above me. What do you think is going on here that makes this possible and makes this feasible. (water break, tape turned off and on)

Beard: What makes it possible? Two things, I think: education and technology. In the 1930s, or 1902, or 1934, or whenever it was in this organization, you had a work force that was primarily—the primary number of people you had very low education rates and there *was* a need for a cadre of people who would give orders. I think it made some sense, if you have a work force that is not highly educated, and is performing . . . . There was a tendency, and I guess that was sort of an accepted approach—in a *public* sense it was an accepted approach, or expected [to have many layers of supervision]. What's happened in the 1990s is, that we have a work force that almost entirely everybody who works in Reclamation, I mean 99.9 percent, have high school educations, and a *large* percentage have *some* college—the vast majority do have some college—and probably a majority have graduated from universities. So you have a highly-educated population.

The second thing is that you have a society in which communication is moving faster. Information flows faster. And there's more of it, that *all* of us receive. Even the most remote location here, now, is plugged-in with my computer. I mean I can turn right around and talk to them on my computer, so that technology . . . . Not only do we have a highly-educated work force, but then we have a work force that is interconnected through technology that allows us to rapidly communicate. I mean, I can sit down and type a message, push a button, and it is instantly sent to the forty top management people in this organization. Now we *never* had that capability in 1954.

I mean, I talked to Clair Hill who's with the California Water Commission, I think it's called, and Clair Hill was the founder of CH<sub>2</sub>M Hill, one of the consulting firms. And I asked him . . . . And he comes back and they support the sort of requests for water projects in California. And I said, "You've been doing this a long time." And he said, "Oh yes, since the late 1940s." I said, "When you initially started, how long did it take you to do this?" And he said, "*Oh*, well this took me *minimum* eleven days: Three days to get back here on the train. Then I had to spend at least a week going around Washington, lobbying, and then three days back on the train. So eleven days." And I said, "And how many days do you spend now?" And he said, "Oh, well, we've got it down, we do it in three days or four days." I mean, they fly back, they do their

meetings, they cram the calendar, the whole thing.

*Everything* is different, but you've got this *tremendous* communication flow and this tremendous interconnectedness through technology that I can talk to all of our employees at once. So what I have is the ability now . . . . That's why I feel so confident about delegating out the responsibility to the field level, and trusting those field people, because I can call them and talk to them. I mean, I've started, for example now, to call all the area managers. Every week, I just sit down and I start dialing, and just sort of calling them and saying, "Hey, what's happening?" and they're *shocked!* I mean they're shocked that I would call. Then they use this as an opportunity. "Well, you know, now that you called, I do have this and that." You get the communication flow going.

But I think it's education, and I think it's technology. And I think *public expectation* now is that they have the ability to make some of these operating decisions. Some of the decisions they can't make. As I tell them, "I have a job here too, and my job is to work on public affairs and congressional affairs, and I suppose I would call it administration affairs, but I mean, making policy decisions within the administration." I make policy decisions, and I work on public affairs, and I work on congressional affairs. Those are the three things that I consider are my purview. Now what is a policy decision? Well, you know, it changes over time. But I mean the point is, I'm here to make those kinds of decisions, I'm here to work on the public aspects of our program, and our outreach with others in the administration and in the Congress. And I'm very comfortable that the employees in the field have the ability to make the right decisions.

### **Area Managers, Regional Directors, and the Commissioner's Areas of Responsibility**

Now, do we have the right people in the field? Eight out of ten cases, yeah. But there are some that *aren't* the right people. And we've already replaced several Area managers with different people. It's not that the people that were there were *bad*, it's just that they weren't capable of doing the kinds of things that we wanted done, and we've replaced them. And I think that's the key too, is that I keep the pressure on regional directors and others to make sure that you have the *right* people in the right place. Because if you don't . . . . *That's* what we should be doing. I mean, that's one of the things we haven't done well in the past either, is if we've got a bad manager, we allow that person to stay there, and that's a mistake. It's not fair to the employees in the organization.

Storey: How many Areas are there now?

Beard: There are twenty-five Area Offices.

Storey: About five per Region?

Beard: Approximately. And there will be fewer over time, because I think we're going

to get rid of several. In California we have six, I think, in the Mid-Pacific Region, and we're probably going to reduce that number. And I think that they may reduce a couple in the Upper Colorado Region too. So it'll be somewhere between twenty and twenty-five.

Storey: Okay, if your responsibility in the commissioner's office is running the political side of it, running the public affairs side of it, making the policy decisions sort of thing; and the Area manager's responsibility is on the ground running the projects; what is the regional director's responsibility?

Beard: It's been diminished, but I think that the regional directors have responsibility to oversee the Area managers on a day-to-day basis. I mean, they're sort of an intermediate policy filter. But no, I think there's no doubt that the area managers were one of the "losers," if you will—I mean, if there are winners and losers. It's not like there's a significant winners and losers. I mean, I think any time you delegate decision-making out, and you keep delegating the responsibility out to the field, you're going to energize a lot of those employees, but yeah, it's going to change the regional manager's decision<sup>6</sup>—it's *already* changed it. I mean, in the Pacific Northwest, for example now, they don't make a lot of the decisions they used to make. They used to make a lot of decisions in Boise—now they're being made in Yakima. And it's *hard!* It's hard for me and it's hard for them. You're giving up something. You're giving it to somebody else, and you've got to watch them. And even though you know they're going to make a mistake, you still have to let them go ahead and make mistakes. And we *will* make mistakes—oh, no doubt about it. I mean, we'll have some screw-ups, and we know that going in. So I'm prepared for it.

Storey: So now we're talking about—if I'm thinking correctly—five regional directors and twenty-five Area managers, and a key group of about four in your office, I believe. So we're talking a group of, what's that? thirty-four, thirty-five folks?

Beard: Yeah.

Storey: One of the issues that comes up repeatedly as I'm interviewing people is that when they got to the Region, or when they got to the Denver Office, or the Washington Office, and they were overseeing something, and exercising oversight, environmental documents would come in, for instance, and the local folks were being influenced in a way that was considered (chuckles) inappropriate at higher levels. What are the mechanisms that you see operating on the Area managers that are going to guard against this kind of thing? Is it this sort of tightening of regional director and commissioner oversight that I'm hearing?

Beard: Well, I don't think you're—at least to the listeners, those that will be listening to this—I don't think you've artfully phrased the question.

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6. Interviewee may have intended to say "responsibility."

Storey: Okay.

Beard: The criticism that's been leveled, is the criticism that the major criticism of our reorganization is, that we have empowered local officials and regional directors. They're closer to the traditional constituent groups, and therefore they will make decisions which do nothing but benefit those folks—you know, that benefit the traditional water-user constituency, for example. They'll cut bad deals on behalf of the Federal government.

My experience has been that the bad deals generally aren't cut by the locals. The bad deals have usually been cut by people in *my* position, because the pressures that come . . . . It's always easy to pass a decision up, to say, "Look, I know you disagree with me, but . . . . This is what I think is the right thing to do, but I'm going to pass it on up the line." So that's what a lot of local officials did, historically, is that they passed it on up the line, and those that sat in *my* chair didn't have the ability to be able to agree with their employees. I mean, that's what happened a lot of times, is that the pressures got too great here from a congressman or a senator, or whomever, to be able to make the right decision. And that criticism that has been leveled against a reorganization, the reason I don't worry about it is that my job is to essentially watch how good thirty-five people make decisions. Now the four or five that work here, it's real simple: I'm looking at them every day. So that's easy. The five RDs, I have a good working relationship with them, and I feel confident about their abilities. I don't know a lot of the twenty-five or so Area managers—I don't know as many as I would like. But we've already replaced, I think it's been three, and we'll replace others if we don't get the right kind of decisions.

I guess the most important tool that I have at my disposal . . . . I have two tools, that are really the levers by which you operate this organization. The first is, budgets—money. And the second is people. And in addition to the responsibilities I outlined for myself, I guess the *other* responsibility I have is to select people for these positions. Now that's why I select the RDs that I do, I select people that are going to do what I think ought to be done. I'm not selecting people to go do something I *don't* want done! And if an Area manager is not making the kinds of decisions that I think should be made, I have no hesitancy at all in replacing that person—like it or not! I mean, it sounds cavalier, but I think it's the most important thing that I do. And we have that ability in Federal service, unbeknownst to a lot of people who head agencies, is that we *can* replace people. When we think it's in the best interest of the organization, we can do so. Now, you take some heat, but it's not the kind of heat that you can't withstand. And I make no bones about it. If there's a continuing pattern of people making the kinds of decisions I don't want made, I'll just replace them. And that person still has a job, and they still have a job at the same pay rate—it's just going to be a different job. But that's my *job* to do that. I think Phil Doe, who's with REOEI [Reclamation Employee Organization for Ethics and Integrity] has made this criticism continually. The assumption that Phil makes is that I'm not going to replace people. Well, the answer is, *I am!*



So as I said, we'll make mistakes. No doubt about it, somehow we will. If I could anticipate them, it would be better, but I can't. But we'll have to live with it.

Storey: Are there any other issues about the reorganization that we ought to discuss?

### Reorganization and the National Performance Review

Beard: Well I just think it's terribly important for people to understand in retrospect, when they look back on what happened here, that we started this process independent of the administration itself. We started our own process and we got going. And it was only after we'd been into it for a couple of months that I even heard about the National Performance Review. And I thought, early on, "Oh crap, I'm a dead duck now, because now I'll have to go play games with all kinds of meetings and committees and all this kind of stuff." And lo and behold it turned out that the National Performance Review effort on behalf of the administration was really a very positive one. I mean, if we do *half* of what was in the Vice President's report, this'll be a much better organization. *Any* government agency would be.

So about two or three months into our effort, I immediately started wrapping myself in the flag of the National Performance Review, and running over to the Vice President's Office at every opportunity I could get to tell him what we were doing. Well, because nobody else was doing that, we've suddenly made ourselves a very . . . .

Storey: Indispensable?

Beard: Indispensable! commodity, because we are somebody who is doing what it is they said all agencies ought to do. So they *love* us, because they say, "Well, look, here's Reclamation, they're doing it." And that's true, we are! We're doing exactly what they laid out that we *should* do. But it's been a marriage of convenience, and frankly, it has *really* helped, because it has given our efforts an *imprimatur* that they wouldn't have had, because then people couldn't criticize what we were doing as being, you know, "This is that wacky Beard who's trying to do X, Y, or Z." *Now*, it's, "Beard is doing what the Vice President wants done," and suddenly it's a *lot* different story. And so I have at every opportunity wrapped myself in the flag of the National Performance Review—*which I believe in*. But I've done so as a means of trying to provide protection to us. And I think that it will turn out to be, when we *are* successful at this, it'll turn out to be a very telling point. Again, maybe it was luck, I don't know. But I'm very thankful that it came along. And I'm very thankful for the positive feedback that I've gotten from the Vice President's Office.

Next Tuesday I'm going to receive a "Golden Hammer" from the Vice President, which is sort of the award that they give to agencies for being successful at reinventing their agencies. But we're going to receive an award from him. And I don't know of too many times that the Bureau of Reclamation

has ever received an award from the Vice President of the United States. It's a very positive thing, and it's something that *I'm* very proud. And I'm really *thankful* that we've found this nexus and been able to utilize this, and it's sort of a mutual admiration society. But it's certainly something that I'm willing to accept.

That was the only thing I wanted to add, about NPR.

Storey: In the reorganization, what kind of contacts did you go through in keeping the Department and the Congress up to speed as to what's going on?

Beard: Very little in the Department. I told Betsy [Elizabeth] Rieke what we were up to, as the assistant secretary. But other than that, I didn't really do any. I spent a lot of time going up to the Congress and meeting with senators and congressmen and telling them what we were trying to do and why. We had such a bad reputation to begin with that, you know, there was no criticism at all from anybody on The Hill about what it is we were trying to do, because I think we've been able to couch it in a way that makes it difficult to criticize. I mean, who's *against* making an agency more efficient?! Who's against reducing the size of an agency? I mean, *nobody* is—there's just nobody! So the employees, but then other than that, there's no congressman or senator that's out there that's going to stand up and say, "Hold it here a second! Let's keep this organization *big!*"

When the agency head's running around saying, "Hey, we don't *need* to be big." Our employees criticize me a lot—I get a lot of notes from people saying, "Why do you badmouth our agency?" What they don't understand is, I'm not badmouthing the agency—I'm very *proud* of the agency. Hell, I fought to get this job! What I'm trying to do is set up a public perception here that when I say, "Look . . ." Our budget came out as \$90 million less this year than last—the '95 Budget as compared to the '94. And issued a press release, and I've done an op ed piece, and I've done all kinds of other things, saying to people, "If we don't need the money, we shouldn't ask for it." And I'm *thrilled* if we have a smaller budget. And I'm doing so intentionally, because I want to set up the dynamic that if a congressman comes along and says, "Oh, let's put the \$90 million back in," they aren't going to *put* the \$90 million back in if I'm wandering around saying, "We don't need it. We don't need it, we won't ask for it." And it's the same with the agency. I really think . . . . With just a few exceptions, between the end of March and May 3, we will lose approximately eight hundred and eighteen people, because of the buy-out, 11 percent of our agency. And it isn't going to make one *blip* in our ability to be able to perform our job. Now we're going to have certain occupations . . . .

END SIDE 2, TAPE 1. APRIL 25, 1994.

BEGIN SIDE 1, TAPE 2. APRIL 25, 1994.

Storey: This is Tape Two of an interview by Brit Storey with Daniel Beard on April 25, 1994.

Beard: They're really in the operational end of things: a dam tender, for example. We have two dam tenders at Cachuma Project in Santa Barbara. Well somehow we got to make sure that both of them don't retire at the same time. And there *are* some difficulties in getting through this. But it's not going to dampen our ability. And my guess is that if we reduce by several hundred others, it isn't going to make a major difference in the way that we perform our job. And so I have been very vocal and very outspoken and very critical of some of the things that we've done, for a reason. The Hoover Visitor Center is just a good example, which is one of the items that you wanted to bring up.

Storey: Yeah.

### Hoover Visitors' Center

Beard: The Hoover Visitor Center is a complete disaster. You know, we spent—*now* the estimate is—\$120 million to build a visitors' center. It's the most expensive visitors' center ever constructed, by *any* Federal agency, *anywhere!* I mean, the Holocaust Museum cost \$80 million. We beat that by 50 percent. Now Hoover's a wonderful place, and it's a wonderful facility, and it's going to be a *wonderful* visitors' center, but it is *grossly* expensive. Now I could have sat back and I could have said, "Aw shoot, we shouldn't have spent that much," and then let it go and said *absolutely nothing*.

But going back to the criticism that was leveled against our reorganization, how is it that you're going to prevent officials from going out there and cutting bad deals? Well I'll tell you *one* of the ways in which you'll do it, and that is, I'm going to go out and I'm going to criticize a disaster, so that *they think twice* about . . . . You know, when they get into one of these things, they're going to think, "Ooo, geez, do I want to be the next 'visitors' center' here? and have my boss out publicly criticizing me."

And we have not done a good job in Reclamation in differentiating, historically, between *what* we did, and how we did it. I mean, we've done some really *stupid* things. We've been asked to build some really stupid projects, and we should have *said* that they were stupid. But instead, we've gone ahead and we've done it, and we've done a good job of it. But we haven't differentiated well. A good example is the Yuma Desalting Plant. I mean, we were asked to build this plant, and it doesn't make any sense. Now, we built it, we built one hell of a plant. I mean, we built a *wonderful* plant. We did a very good job at what we did. But what we were asked to do didn't make any sense. Now we know that. Here we are, twenty years later, and we suddenly raise, "Oops! We should have never built this." We're probably never going to need it.

The same with the Hoover Visitors' Center. We could have built a *wonderful* visitors' center for ten million dollars. Now it wouldn't have been the visitors' center that *we* built, but it would have been a wonderful visitors' center for ten million dollars. Well, we've gotten ourselves into this kind of situation continually. I focused-in intentionally on Hoover Visitors' Center, and I have

been unceasing in my efforts to try to advertise it, because I'm trying to advertise . . . . First of all, we're never going to have any blame for this one now. I mean, you know, as we get down the road here, and people look into what happened and why it happened, if the agency head is up there and I'm the one that blew the whistle and called it to everybody's attention, and I'm talking about it continually, then I don't think we're going to have to go through this public display of trying to justify it. But I think more importantly, I think that our employees are going to say in their own minds, "Geez, I'd better make sure that what *I'm* doing is not duplicating this effort." Because every Region and every Office has it's 'Hoover Visitors' Center'—they *all* have. They all have something that they're doing that they're not terribly proud of, and if you can advertise it and give it some visibility, what it will do overall, is it changes the way people look at issues. And it changes the way our employees look at issues.

Storey: Hoover, of course, is a major problem, and focusing on that, has anybody looked at what we're saying in the visitors' center? how we're interpreting Reclamation

Beard: Yeah, uh-huh.

Storey: So that we're getting the new message across?

Beard: Right. Yeah, that was the first thing I did when I came in. I said, "Okay . . . ." Well, that's actually one of the ways in which I got into this. A friend of mine, Frank Gregg, who used to be the director of the Bureau of Land Management, called me, and he said, "I just was up at Hoover Dam, and the tour guides haven't changed their spiel in thirty years, and the displays haven't been changed. You ought to look and see what you're doing in this new visitors' center," so I sort of started to look into it. And yeah, it was interesting: We found references. We were going to have a quote on the wall there from one of the—I think he was a Mormon missionary, but he was somebody that was a historical figure there—was referring to the Indians as "savages," which I didn't think was a terribly politically correct thing to do. And we spent an awful lot of time focusing-in on regulation of the river and water resources development. So I've scaled that back, and we've put in a new environmental display and particularly environmental restoration work. And I'll look at what we have there, and if it isn't appropriate, then I'll change it! I mean, what do I care if . . . . I mean, we spent \$120 million—we sure as hell can spend a couple of hundred thousand dollars and make sure that the *message* that we're getting across is a positive message—not a message of the past. If I'm going to build this kind of edifice, I'm going to make damned sure that we're sending out the right message.

Storey: Let's see, what else is on the list that you picked up?

Beard: Water conservation, NPR, Reclamation light, Hoover, reorganization.

### Wastewater Reclamation and Reuse

- Storey: One of the things in your discussion—I think we’ve already discussed water conservation some in the previous interviews. But today I believe, for the first time, I heard you use the phrase, “wastewater reclamation and reuse” several times. And I hadn’t picked up on that before. Could you talk in more depth about what this is about and what the issues are?
- Beard: Yeah, Title 16 of Public Law 102-575 authorizes Reclamation to participate in a series of urban wastewater reclamation and reuse projects. This was an effort that was really begun by Senator [William] Bradley in about 1989 or ‘90. Tom Jensen had joined the Senate Energy Committee as the counsel for the Subcommittee on Water and Power. And Tom worked with Senator Bradley to write a piece of legislation which they introduced which authorized Reclamation to participate in some projects in urban areas across the West, where we would take sewage treatment plant effluent and use that for other beneficial uses: either irrigation of crops or irrigation of greenways. Or use it for M&I [municipal and industrial] purposes in refineries or industries or whatever.

And they authorized us to participate in appraisal studies, feasibility studies, and then actual construction projects. And they itemized a whole series of them: Phoenix, Tucson, Denver, Los Angeles, San Diego, and several other places. And Reclamation could provide 25 percent of the funding. And that legislation was passed, and when I came on board, one of the projects, the West Basin Project—it’s in Los Angeles where West Basin Municipal Water District is taking sewage treatment plant effluent from the Hyperion Plant, it [now] dumps water directly into Santa Monica Bay, and running about 70,000 acre-feet of water back uphill and they’ll irrigate golf courses and freeway median strips, and then provide water to individual industrial customers.<sup>7</sup> And it was promoted and pushed by their general manager, whose name is Rich Atwater. Rich used to work for the Bureau of Reclamation here in the early 80s, and then went to the Metropolitan Water District and then went over to West Basin as their General Manager. And he has been promoting it because it provides him independence from the Metropolitan Water District, and from imported water supplies. And he is joined with the Mono Lake Committee. This means that 70,000 acre-feet of water will not have to be imported into Southern California. This is 70,000 acre-feet of new water. So he worked hard to get initial funding in fiscal ‘94 as a congressional add-on.

And so when the ‘95 Budget was being prepared, I really felt that these projects provide a tremendous opportunity for us in the future, that our future really lies in doing these kinds of efforts, because they’re important projects to major Western cities, and they provide a tremendous . . . Well, they’re very *valuable* projects, because it’s a very stable water source. I mean, even in a drought people are going to flush their toilets. So it’s a source that isn’t going to

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7. The Hyperion Plant is part of the Water District’s water reclamation project. The plant is owned by the city of Los Angeles. The project will put as much as 70,000 acre-feet of secondary effluent from the plant to use for irrigation, industrial processes, and seawater intrusion barrier purposes. Reclamation is contributing about one-quarter of the project costs, \$50,000,000, under provisions of Public Law 102-575.

go away. And I think that the political constituency that's created by these projects is one that's almost unstoppable. I mean, when the City of Los Angeles, or the City of San Diego, or the City of San Jose or anyplace else stands up and you start to work directly with that community to solve a very real water problem, it's a lot better—it certainly beats working with the Garrison Conservancy District in North Dakota. It's a much stronger, much more *powerful* constituency. And I really think that this is a program that is going to be one of the futures for the Bureau of Reclamation. It offers us an opportunity to wean ourselves from our traditional irrigation constituency, rural constituency, and now gets us working directly on inner city issues, or with large Western communities. It's a real opportunity. It's a tremendous opportunity for us. And it's one that I'm very excited about.

Storey: Good!

Beard: Is that it?

Storey: I think. We have used up our time. I know that you have a busy schedule this afternoon. Once again. . . .

Beard: Maybe I'll add one more thing—talk a little bit about international affairs.

Storey: Good!

### International Activities

Beard: When I came in, I really did not know much about the Bureau's international activities, and I've taken a lot of time to sit and think about it. And I really think that I've decided to try to give us a much more active role in international activities than we've had in the past. And again, it's kind of a different role. When I came in, one of the things that I did immediately was to go over to the State Department with Betsy [Elizabeth] Rieke and tell the State Department that we wanted to get out of any involvement with Three Gorges [Dam]; primarily because, Three Gorges is a dam in China, [it] is such a disaster. But the Bureau's traditional role internationally has been to operate . . . . Well, our role has been to really be a construction manager, assist other foreign countries that were building a water project somewhere. And our foreign activities ought to be in line with what our domestic activities are. So in that sense, I think we have to change our international activities as well. And so one of the things that I'm doing here is, in the second week of May I'm going to be leaving and I'm going to fly to China and I'm going to meet with the Chinese leaders and explain to them why we're no longer involved in Three Gorges, and sort of what's happening to our program and why it's happening and so forth.

And then I'm going to fly to Varna, Bulgaria, for a meeting of the International Committee on Irrigation and Drainage, and I'm going to give a speech there where I'm going to really try to lay out for members of the irrigation community world-wide why the U.S. is going through the changes that

it's going through, and what that really portends for them. Because what it really means is, the kinds of changes that we're going through, they're going to go through at some point in the future, because the forces that are driving us to change are forces that are driving other agencies in other countries across the world. And I really have felt that I really have an opportunity to try to change the debate and the dialogue internationally about water resource activities. And it's been one of the things that I've decided I want to try to do during my tenure here, is to try to speak out on that, and to try to influence the way in which other countries look at water resource activities. And it's going to be a real challenge for me, but it's one that I really need to do.

Other countries have looked, historically—particularly in the water resource development field—other countries have looked at the Bureau of Reclamation as a model. And they've looked at us as something they want to try to emulate. And we have a long history of being a world leader in construction activities and engineering. And now that *we're* changing, I think we have to make sure that we explain *why* we're changing, and to try to encourage others to make that change with us. So that's one of the things that I'm doing, and so I'm going to be going to China and then Bulgaria for this International Committee on Irrigation and Drainage.

I'll probably go to the meeting of the Committee on Large Dams<sup>8</sup> in South Africa. I've talked to the Indonesians about the possibility of us providing sort of a comprehensive set of services to them. And there are other countries. I'm sure things will come out of that. But I want to try to make our international activities an important component of our future work, as we become a smaller organization and one that focuses more on water resource management activities. I think we need to be a world leader in that. And the only way you can be a world leader is if you get out of this country. If you go out and you *talk* about those kinds of issues in an international setting. And what it will do is give our employees a sense of excitement and enthusiasm which they don't have. I mean, if you're just constantly . . . Really, international activities has the effect of stretching your mind and reinforcing the fact that we, in this country at least, have been a world leader in some areas. There's much that *we* can learn over there, too, but we've also been a world leader in some areas, and we will continue to be so. We *will* continue to be a world leader, and the more international activities that I can get people involved in, the more confidence it'll give our employees. I think it's an important adjunct to our program. It'll never be the driving force of our program though.

Storey: Am I correct in thinking that your thinking about international activities has evolved? I understood the “Blueprint for Reform” to say that we were not going to participate in international activities. Am I wrong?

Beard: No. You're wrong. Yeah, I mean, it didn't say that. I wrote the words very carefully. It said we'll make sure that whatever we do internationally is

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8. International Commission on Large Dams.

reimbursable. But what I've *tried* to do is dissuade everyone from the perception that what we're doing is to go out and be a construction manager for people across the globe. Because the primary thrust of our international activities over the last ten or fifteen years has been through the E&R [Engineering and Research] Center in Denver, where the assistant commissioner for engineering and research was the primary official looking overseas. And what that individual was doing was going out and really setting up a dynamic where we were out there helping Third World countries build dams—that's what it amounted to, because that's what they did and that's what they did best.

And I wanted to get out of that business, because we're getting *out* of the dam-building business. So I had to somehow bring *that* to an end, wipe the slate clean, and now start out again. And what I've tried to do is, I tried to dissuade people—I've dissuaded our folks internally, and internationally—and I will continue to harp on this—we will *not* be a construction manager for you. We will not go out and help you build your water project.

Now, if you come to us and say, "We want assistance in solving problems, and construction of facilities is one element of the solution to the problem, we're interested. But we're going to be a water resource manager, and we're going to be a problem-solver, and we're going to take that domestic outlook and apply it internationally. And so it's a *subtle* difference, it's a subtle change, but it's an important one, because I think that if *I'm* the driving force for the international program, it'll be a different program than if it's just the assistant commissioner for—what *had been* the Assistant Commissioner for Engineering and Research. The individual who's there now, Felix Cook, is not interested in international activities to the extent that Darrell Webber was, and that'll make it a little bit easier too.

Storey: Okay. I presume, on the basis of our former interviews that you would like to keep this closed for a period of time?

Beard: Yeah.

Storey: Okay.

END SIDE 1, TAPE 2. APRIL 25, 1994.

BEGIN SIDE 1, TAPE 1. NOVEMBER 21, 1994.

This is Brit Allan Storey, Senior Historian of the Bureau of Reclamation, interviewing Commissioner Daniel Beard on November 21, 1994, at about one o'clock in the afternoon in his offices in the Main Interior Building in Washington, D.C. This is Tape 1.

### **Reflects on Changes in Reclamation since Becoming Commissioner in 1993**

Storey: Since we talked last in April, of course, a lot of things have changed. Could you talk please about how Reclamation has changed and what you see the changes as being?



Beard: Well, I think that the Bureau of Reclamation today is a much different organization than it was when I came here as commissioner in May of 1993. We're a thousand people smaller, we're a thousand positions smaller, our budget is smaller. When you compare April and November, we're a *significantly* different organization. In April we had just signed the documents approving the reorganization, and since April we've moved forward with the reorganization in Denver, had a major RIF [reduction in force] and a major transformation in Denver. The Area Offices have been established, and are up and running, and we've made a lot of changes in the personnel who run the Area Offices. The Regional Offices are now smaller, and, I hope, less intrusive in the day-to-day activities, day-to-day decision-making of what's taking place in the Area Offices. Washington is smaller, and I think many of our practices have changed. And I think we're viewed *much* differently within the Federal community than we were when I came. I mean, I think when we came, we were viewed as an agency that had outlived its usefulness, frankly, and didn't have a very bright future. And I think today, November, 1994, we're viewed as an organization with a bright future, and one that's terribly relevant, one that's involved in a lot of exciting issues, and we're viewed as a leader.

Since we last talked, Vice President Gore has given us an award, came to the Department of Interior, stood there and said what we in Reclamation have done is exciting and significant and he has mentioned us *repeatedly* as an organization that has been a leader in the effort to carry out the administration's activities in the National Performance Review, which is really [to] make the agency work better at less cost to the taxpayers. We've eliminated a wide variety of practices that we used to undertake, and as a result, the amount of paperwork and regulations and a lot of other stuff has been reduced.

So I think the *reality* is that we've changed, and I think the *perception* of people about Reclamation, within the Federal family has changed significantly too. And I'm very proud of it. And, I'm prepared to take complete credit for it, because I know that if it fails, I'll get the complete blame for it. But I don't mind that. I set out in 1993—I can't remember what I said—for those listening to the tape, I'm sure it's a laugh, because they've probably just heard it—but I set out in 1993 to change this organization.

I mean, *my* overall agenda from the very beginning has been that I've wanted to change Western water resource policy, and I've wanted to change the *way* in which, the *involvement* of the Bureau of Reclamation in Western water resource policy. I happen to think that our involvement in the past was not—I think we were going about it in the wrong way, and I wanted to try to get Reclamation to be a more environmentally sensitive water resource manager, and to get out of the dam-building business and all the rest of that stuff, and get with solving today's problems and tomorrow's problems, not yesterday's. And I think in many respects, that's what I set out to do as an overall objective, but I became convinced early-on that the only way that I'd

ever be able to have a meaningful impact on policy was to change the agency itself, to change the *culture* of the Agency.

And so I have felt all along that the changes in the way that Reclamation does business are *intimately* related and *part of* an overall agenda to change the policy outputs of the organization. Because if we get the right people in this organization, making the right decisions—if we get good people making good decisions—we’ll *make* different decisions than we have in the past. And it really comes down to people and the processes that we use. The policy stuff will come. So that’s why I’ve spent so much of my time, energy, and effort on restructuring the organization, because I’ve felt that if we free up and change people and change the way we make decisions, we’ll make different decisions, and the decisions will be based . . . . You know, they’ll just be different decisions and *better* decisions. And so in that sense, I really believe that . . . . (sigh) I call it “progressive water resource management decision-making,” but, I mean, you know, progressive water resource policies will be a natural outcome of a different . . . . If Reclamation is different, the outcomes will be different.

### Effects of the November 1994 Election

Storey: But policy affects the way the final decisions are made, doesn’t it? (Beard: Sure.) Administrative policy? (Beard: Uh-huh.) So for instance, what kinds of influences will the recent election earlier in the month here, have on the way decisions are made? Or *will* it? since it was basically a congressional change, rather than an executive branch change.

Beard: Well, I think it was, first of all, a *disaster* for the Democrats, my party. But I don’t think it has any effect on us. I mean, our basic message has been, from the very beginning, that we need fewer people and fewer dollars to do the work. And we have been aggressive in pursuing that agenda. And we needed to change the way we do business, and to change the processes and procedures so that we get out of the old bureaucratic mode and get into a mode where we’re sympathetic to what our customers want, we’re listening to what our customers want. And that’s essentially what we’ve been trying to do. It doesn’t really matter whether the Republicans or Democrats control Congress.

I mean, the Republicans aren’t going to come in now and say, “Hold it here! Reclamation, you’ve been spending too little money. We want to give you some more money.” I mean, that isn’t what they’re going to say. They’re going to come in and say, “Well, we want to cut the Federal budget, and so we’re going to give everybody less money.” Well, that’s exactly the same way we’ve been going. We’ve been asking for fewer and fewer dollars each year. I *certainly* don’t see anybody coming to town and saying, “Well, we need to hire more people in the Bureau of Reclamation.” If anything, they’re saying we ought to hire *fewer* people, which is exactly the trend that we’ve been going.

You know, we've worked hard, as we've gone along through this process, to make certain that we were not swimming against the tide—the political tide, if you will—and I think that that's the case. I mean, when I've talked to people in this organization, I've said repeatedly, "What the future holds for us is fewer dollars, fewer people, and more work." And it doesn't matter whether there's Republicans or Democrats in charge of the Congress, that's the way it's going to be. It's not going to be any different under one party than the other. And our challenge is to get the work done with fewer dollars and fewer people. Somehow, we've got to do it. And what *that* really means is, stop doing many of the things that we don't *need* to do any more, and concentrate our activities on those things that *do* require us to be involved in.

Storey: You mentioned earlier that we were being responsive to our customers. (Beard: Uh-huh.) Now, our traditional customers, of course, are the water districts. (Beard: Right.) What do you mean when you say "our customers"?

Beard: Well, you know, our first customers [are] the taxpayers. I mean, you know, we have traditional customers, but the customers that this organization has for its services don't stop at irrigation districts. I mean, we serve every major Western city, we're a *significant* player in the water supply systems for all of Southern California, Northern California, Phoenix, Tucson—I mean, you name the city, we're intimately involved in the water supply for those communities. One [segment] of our significant customers are those who are involved in the rafting industry, for example; fish and wildlife advocates; environmental organizations; power supply, those who rely on power supply and those who market it.

There's always this perception, and I've always been surprised at it, in Reclamation as you go around and talk to people, they say, "Well, our customers are the irrigation districts." I say, "Yeah, they *are*, but we've got about 80 million other customers as well." We've got a *lot* of customers. I mean, people have always undersold Reclamation, in my view.

People said to me, "Why did you take this job?" I took an \$11,000 pay cut to take this job, with two kids in college, so it's not exactly an insignificant decision on my part. "Why did you take this job?! Reclamation's a nothing organization." And my answer to that was, "No, it isn't.

To me, Reclamation is *much* more than that." I mean, the Bureau of Reclamation is the largest wholesale water supply utility in the United States of America, and almost, by definition, the largest in the *world*. I suppose there's a few socialist countries where you have a large water supply—I'm thinking of China, and who knows in Russia what's going on now—but I mean the Bureau of Reclamation is the largest wholesale water supply utility in the United States of America. That's a very big organization. We're the sixth-largest electric power generator. We generate more power than

Consolidated Edison, Southern California Edison, Pacific Gas and Electric—any of those large, well-known utilities. We are, in that sense, a very significant player— we’re a *huge* utility. And we have a lot of customers.

I mean, to say that the only customer of this organization is irrigation districts, is to completely miss the boat. Not only are we a water and power supplier, but then we’re also *intimately* involved in the operation of every major river system in the Western United States. The Missouri, the Columbia, the Sacramento, the San Joaquin, the Colorado, the Rio Grande—you name it, we’re involved in it. And we’re *intimately* involved. I mean, we’re a *major* player in it. We have an endless stream of customers, and we’re a major player in water resource issues throughout the United States—and for that matter, in the world.

I think we undersell ourselves far too often. We got in the habit somewhere—I don’t know where it was—we got in this rut of thinking of ourselves as an organization that provided agricultural water to irrigation districts in the West. Well, if that’s all we are, then we’ve got *no* future, because what’s happening to agricultural irrigation districts is, they’re all going out of business.

I mean, they’re going in two directions. Either farms are getting bigger, as they are in and around Fresno where you have larger and larger farming operations being developed, or they’re getting smaller, where they’re becoming hobby farms. And those people who live on those types of farms, their primary source of income is not from farming—it’s from a job in the city, and they come home and they drive a pickup truck and they’ve got a couple of horses and a cow and five acres, and they’re getting water from the Bureau of Reclamation, and we’re wandering around trying to sell the myth that we’re providing food and fiber?!

Most people don’t realize that about our agricultural customers. There are 144,000 “operations”—if I can use that term—that receive agricultural water from the Bureau of Reclamation. One hundred thousand [100,000] of those are forty acres or less, and we don’t even ask them to report. And that’s the largest-growing segment of our customer base in irrigation. They’re hobby farms. They’re getting bigger and bigger. There’s more and more and more of them each year, because our Projects are suburbanizing. I mean, we built our Projects in and around small cities like Boise, Idaho; Reno, Nevada; and other places; and all of a sudden those cities are growing and the commuting distances are growing and we’re growing more houses than we’re growing farms. I mean, the number of farms that we serve every year—the number declines every year, it doesn’t increase. So I mean, if one looks to the future, the future is, someday we’re not going to have *any* farming.

The number of agricultural enterprises that will be receiving

Reclamation water will almost slow to a trickle. But it doesn't mean that we're no longer an important water supplier, because we *are*, because we're supplying water to urban communities and for other uses—terribly critical.

Storey: When you came to Reclamation in the spring of '93, how would you characterize the way Reclamation's management was looking at its customer base? Would you say they were still largely oriented toward the old image, or had they started evolving? And how much have we changed since you came?

Beard: Well, I think we've changed significantly. When I came in May of 1993, a number of senior managers in the organization pulled me aside and said, "We don't care what you do, just *do* something—just make a decision." And I thought to myself, "I can do that!"

I was very lucky when I came. My predecessor, Dennis Underwood, was a very decent guy and a good engineer, but a horrible decision maker. I mean, Dennis just didn't like making decisions. And so Dennis had a habit or a way of operating, which was to constantly keep staffing issues out. You'd come to him with a decision memo and he'd say, "Oh, well, we didn't look at this issue close enough, and I want some more background on this and this." And then that would come in and he'd say, "Oh, we forgot about this, forgot about that." And it was just sort of an endless process that never came to an end. And I think when I visited him on my briefing, when I went in to visit him for my one sort of meeting with him, in his office, and I was appalled at his desk—it was just piled high with paper and memos and everything. It was all over his desk! And it was obvious, I mean, Dennis was not a guy who liked to make decisions. Some people are like that.

And so when I came, the senior managers were so frustrated, so . . . *frustrated!* I mean, they just *wanted* to get on with it. They didn't care what we got on with, they just wanted to get on with *something*, anything. But they were so frustrated by just this sort of continually spinning their wheels, that they were the least of my problems. But I think that their view of the world was very much different than mine. I mean, I really felt Reclamation had a bright future, but a future that was *very* different than what they saw. To me, Reclamation is a management agency. I'm in the process of developing a speech, so who knows whether I'll pull this off at some point. But we spent ninety years of our existence building storage facilities and transportation facilities—capturing the water and transporting it to somebody else. And then we said to them, "Here it is, take it, it's yours, do with it whatever you want, because we've got to get going, because we need to get on to build the *next* storage and transportation facility." And that's all we did for ninety years, was to move around the West, building storage facilities and transportation devices.

Now, in 1994, it's a *much* different world. What we have to do is . . . . We built these storage and transportation facilities, but we never

cared what use was made of the water—we didn't care! It wasn't anything that mattered to us. We had a lot of laws on the books that *told* us that we should have been concerned, but we didn't pay much attention to it. *Now* our job is to capture the water, transport it, and then *make sure* that the uses that are made of that water are consistent with what our society today *wants* those uses to be; and that when you look at that whole system—the storage, transportation, and use—we want to make sure that that whole system fits into the kind of environmental . . . . We want to make sure that we're aware of the impacts that come from that system, and that those impacts are acceptable in today's society.

So we have a much different role—I view our role as a much different role. I've begun referring to that as “total water management.” We were in the water management business, but we were only in a portion of it. Now we're in a much larger portion of the business, and we've got a *lot* more responsibilities.

Now our senior executives, when *I* came, I think were following an agenda that was an *odd* agenda. They knew that the past couldn't continue. In other words, what we've done in the past was something that we couldn't continue doing, but they didn't really know what it was we were going to do in the future, and they didn't know *how* to go about doing that. And I think what I've been able to do is to say to them, “Yeah, you're right, what we did in the past, we're not going to be able to do again in the future.” And I've been able to assist them in laying out what it is we *can* do in the future, and *how* we can do it, and then *encouraging* them to go about doing it. Most of my time here has been spent dealing with management people—senior managers—trying to encourage them to stop calling me to ask me permission to do something, and get on with doing it. I have a lot of confidence in their abilities, and most of them are not going to run out and do something stupid, or something that I'm totally opposed to, because they know I'll do something about it. (chuckles) So I have a lot of faith in them and their abilities. And that's probably the biggest frustration that I've had since I've been here, is just the fact that I can't seem to get people to take risks, to step out and make bold decisions. They always want sort of the reassurance that, “Oh, is it okay?, is it okay?” They're constantly calling and saying, “Well, we're thinking about doing this or doing that,” and then I keep saying, “Why call me?! Just go ahead and do it. Everything's okay.”

So when I came, I think there was a real sense of frustration among the managers, that there was no direction, and no sense that even if they *had* a direction, anybody would make a decision. I think I've corrected those two problems. And then I've tried my best to encourage them to go off and *do* things, and in that sense, I hope, [I've] been successful.

Storey: Would you say we've expanded our list of customers since you came, (Beard: Sure.) or do you think we've just changed emphases, or how's that working?

Beard: Well, I think it's both. I think that when I came in and said, "Yeah, agriculture is one of our customers, *but* we also have a lot of other customers that are out there." I think people know that. I think if you just go around and ask people what they *do*, who do they talk to now, the answer is going to be that they talk to a lot more people than they ever did before. And that's just part . . . . You know, we live in an era, in this organization, in 1994, we live in an era of participatory democracy—you can't make any decisions in our democracy today, unilaterally. We are bound by the mandates of the Freedom of Information Act and NEPA [National Environmental Policy Act] and the Privacy Act and the Administrative Procedures Act—all of the legislation and the other things that surround government today, are all really part of a statement on the part of our Congress and the citizens in general, and that is that they *want* to be involved in decisions that are made by government agencies. We can do very *little* unilaterally (chuckles) and we've got to go through an *elaborate* public process, and at times it's *horribly* frustrating, cumbersome, and inefficient, but it is a *necessity* in today's world—this is what the citizens of this country *want*. They want to be part of the decision-making process, and they want to know what's going on, and *why* it's going on. And they want an explanation from it. And what that does is impose on us as government officials a frustrating number of requirements, which frankly . . . I want to say "get tiresome," but it *does* get tiresome. You want to get things done, but it takes a long time to do it, because you've got to work through these public processes. And, it is oftentimes difficult to see where those public processes, and the concept of politics disappear. (chuckles) They're sort of many times one in the same.

I've often thought sometimes that our management personnel—our area managers, regional directors and others—probably should have gotten their training in the United Nations as opposed to some civil engineering school somewhere, because they spend an *incredible* amount of their time working in public meetings and in other public situations that demand talents that are much different than that that they went to school to learn.

### Reclamation's International Program

Storey: Since we last talked, I think you've done a lot of thinking about the International Program that we're going to carry forward. Would you like to talk about that?

Beard: Sure. As I mentioned before, my agenda from the very beginning has been to change Western water resource policies, to change the way we do business, to place a greater emphasis on total water management—as opposed to just building dams—and to be a much more environmentally sensitive manager and user of water.

When I first came into this position, Assistant Secretary [of the Interior, Elizabeth (Betsy)] Rieke and I went over to the State Department and informed them that we wanted to tell the Chinese that we no longer

wanted to be involved in Three Gorges Dam, and the reason that we didn't *want* to be involved any more is, frankly, that Three Gorges Dam is an environmental disaster and we didn't want to be party to it. So we notified the Chinese, the Chinese were appalled that we would get out of our *modest* involvement with them in Three Gorges, because frankly, they were using us as a fig leaf. They were using us as a means of protecting them from any international criticism. When somebody came up and criticized Three Gorges, they [the Chinese] would say, "Oh, well, the Bureau of Reclamation" -- or as they refer to it, USBR [United States Bureau of Reclamation] -- "USBR is involved in this, and they're one of the world leaders." That's actually what happened with large dam projects throughout the world, historically, is that Reclamation would have some involvement in it, and we would be used as this figurehead to ward off criticism, because every country in the world has an environmental community and critics of large projects for whatever reason.

Well, this decision to get out of Three Gorges was perplexing to the Chinese, and so I really felt an obligation to go to China to explain to the Chinese why we were getting out of the project, and so I *did* go to China. I think it was in May. Had I gone . . . . I had not gone when we last . . . .

Storey: I think you had been to Bulgaria, maybe.

Beard: That's right. I went to China, and then from China I went to Bulgaria. And I explained to the Chinese when I was there, that we were getting out of Three Gorges and why we were. And then they expressed an interest in doing some joint projects with us, nonetheless -- particularly in the area of dam safety and water conservation, which they view as a very important tool for them, as it is for us, to make some immediate gains in providing additional water to various cities.

But I then went from there to Bulgaria, and really gave an address where I tried to lay out . . . . The message was simple, "the dam-building era in the United States is over, and we're going to focus our activities on being a water resource manager, as opposed to water resource development agency." But I outlined sort of *why* these changes are taking place, and the lessons that we've learned from our experiences. We've learned a lot of lessons about project construction: We learned, for example, that projects always cost more than we ever said they would -- usually about twice as much -- and the benefits that we always said would materialize, never do; that the environmental impacts are larger than we ever anticipated they would be; that the contribution that these projects usually make to the net national economy are never as large as we thought they were. I mean, there's a *lot* of things that come as a result of that. But anyway, I sort of laid this out at the meeting of the International Commission on Irrigation and Drainage in Bulgaria.

I have subsequently gone—I just got back, in fact, a couple of weeks ago . . . .



END OF SIDE 1, TAPE 1.

BEGINNING OF SIDE 2, TAPE 1. NOVEMBER 21, 1994.

Beard: . . . as you can imagine is not exactly a happy experience, you know, to stand in front of 1,400 engineers who make their living building large dams, and telling them, “Well, we’re not going to be involved in any, anymore.”

Storey: This was at the International Council on Large Dams<sup>9</sup>?

Beard: Yeah, in Durban, South Africa. So I’ve essentially gone out and begun to try to deliver this message that the USBR is changing, it’s changing for the following reasons: we’re going to be smaller, we’re going to delegate day-to-day operating responsibility out to our field units, that we’re going to focus our attention on water resource management issues as opposed to construction activities. And I’ve sort of become almost evangelical about it, going around sort of delivering this message. The response has been very interesting. I talked to the President of the International—or ICOLD—and the President when I was in South Africa, whose name was [Wolfgang] Pircher from Austria, said to me a very interesting thing. “You know, I’ve often wondered what would happen if we ever came to the end.” In other words, if we ever came to the end of the dam-building era in a particular country. I mean, if there were just physically no more sites to build, to construct facilities. And he said, “In many respects, that’s what you folks have done, you folks have come to the end.”

And I said, “Yeah, we’ve come to the end because a lot of the good sites are gone. But we’ve also come to the end because our *society* has told us that we’ve come to the end. So it doesn’t matter which reason it is, we’ve come to the end. He said, “I always wondered what we would have to do then. Now I guess I’m going to find out.” And in many respects, that’s what’s happened to us.

I went to China and then to Bulgaria. I’ve met with my Mexican counterparts, been to South Africa, and also met with Indonesians. I’ve been invited to go to Japan in two months to deliver essentially the same message. What’s happening is that I’m the only person in the international arena who’s out there giving any kind of message that’s any different than anybody else has ever given before. (chuckles) In the international field, particularly, it’s so seldom somebody comes along with a different message, that it turns out it’s a rather unique message, even though it’s not terribly surprising to us. And I’ve really enjoyed the opportunity to deliver that message and to talk about what management issues, what water resource management *means* to this organization and the kind of problems that we have. Because a very strange thing has happened to me as I’ve gotten active in international issues: I was totally unaware of how—and I’m trying to think of the right word here—“revered,” if you will, the Bureau of Reclamation was in the

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9. International Commission on Large Dams.

international community. We have a status in the international community that is close to reverential. And it sounds strange, but every other country in the world has looked at what we have done here, and viewed it with a sense of awe and respect. And the professionalism of our employees has been such that they have been . . . . We've done a lot in the way of training people and publishing manuals and other professional standards kind of work. And that material has gone out and been very—it's very well-respected internationally, and we, as a result of that—USBR, as they call us—is really quite well-respected internationally.

And so when I go out and I deliver a different message, there's a sort of an initial shock, here's this guy who's the head of USBR and he's not talking about dam building, he's talking about water resource management and environmental things. Once they get over the shock, they sort of say to themselves, "Oh! These folks sort of led the way in water resource development activities, and maybe this is what's coming for *us* in a new era and a new direction." It's been very interesting to me. I was not aware of the respect that we had internationally. I've been fighting with Reclamation and about Reclamation for twenty-five years, and it's all been domestic squabbles, and so I never really even thought much about the international activities that Reclamation has had. So international activities has been something that frankly, I've enjoyed quite a bit. It's hard work, because it takes a long time to travel to places and you're away from home a lot. But, there's a large payoff there, and I think that in the next couple of years, I intend to spend an increasing amount of my time trying to articulate the international message, and what we're doing here and articulate it in an international sense. And I hope that we will become a world leader, but in a much different way than we have been in the past.

Storey: That's very interesting, and it raises a question for me, I guess—one of my long-winded questions. Reclamation in the past, I guess, has been intellectually at the forefront of the construction movement for water development. Are we doing anything now to establish ourselves at the intellectual forefront of the new mission, the new evolution, and talk about why the evolution has to occur, and so on? Are we doing anything systematic about that?

Beard: Well, I don't think that we're doing anything systematic, but I think that everything that we're doing is *making* us a world leader. Most countries in the world have no idea what an environmental impact statement is. I mean, the thought that you would sit down and try to predict that impacts will come as a result of your actions, and make that information public—not only public, but you'll circulate it and hold hearings on it—it's almost an anathema to anybody else in the world—even in most democracies.

In Canada, for example, they sign power contracts, you can't get copies of the power contracts. The work that we have done, and *are* doing on a daily basis in Reclamation, in a whole host of areas, in our environmental

programs, in management issues, and just all the things that we do, are new and different to almost every other water resource manager in the world. We really *are* a world leader. Now we haven't systematically sat down and sort of gone out and sold that concept, but it *is* something, certainly, that we can do, and we should do over time. But our folks in Denver put together a handbook, for example, for the International Commission on Irrigation and Drainage, the ICID. They did a handbook on evaluating the environmental impacts associated with a facility or a project or an activity. It's a best-seller, because most people don't know how to do that! It's just sort of not something that is done in other countries. So we really have, I think . . . . We *are* a world leader in that kind of stuff, but we haven't done it systematically.

### **Expertise in Reclamation must Change Based on Our Future Mission**

Storey: Let's lead on to another question. One of the concerns that's been vocally expressed in the Denver Office, for instance, is this critical mass for being able to do certain kinds of activities. And of course what they're talking about is construction. But the argument I recently heard was that Reclamation was the place where all of the expertise resides for major construction of dams, and that once the Denver Office was "broken up," as it were, that expertise wasn't going to exist anywhere else. And a lot of people are saying, "Well, it's founded the large engineering companies." Their argument is, "It isn't there." How do you respond to that kind of concern and discussion?

Beard: Why do we need it?

Storey: "Beyond that," is what I hear you saying.

Beard: When I was at the ICOLD meeting, one of the companies handed out a map, and the map was showing the location of dams under construction throughout the world that were larger than sixty meters high. In the United States there were four: one was Teddy Roosevelt Dam, which is ours, and it's a dam safety repair. (Storey: Yeah, and it's a rehabilitation.) It's a rebuild of a dam. One was being done by the Contra Costa Water District, a local entity in California. Another was being done by a flood control agency in Southern California. And another was being done on the East Coast by a local agency. That was it! There were only four dams in the entire United States that were under construction that were larger than sixty meters high.

Now you go to China, and the list was six inches long. It was like forty-some projects underway, that are larger than sixty meters. Go to Turkey, same thing. There was probably twenty. So you go to other parts of the world, and all this activity is taking place. But in the United States, this activity isn't taking place today. And not only is it not taking place today, it isn't going to take place in the future.

Now, if we're *not* going to be *doing that* in the future, why do we need this expertise in Denver?! And the answer to that is, "Well, we don't!" You need government agencies and you need government personnel, if you have a *job* to do. But if that job doesn't exist any more, then you don't need those people, and you don't need those talents. That's too bad. I understand it, and we had a wonderful collection of talented people that had a unique talent, found nowhere else in the world, and we benefitted from that talent, but that job is *over*. And many people, particularly in Denver, simply can't get it. They can't get the fact that, yes, the critical mass question is a difficult question. How many people do you need with a certain skill to maintain that ability to perform a certain function in a viable manner? Well, the answer is, you need them if you're going to *do* something with it in the foreseeable future. But if you're *not*, which we aren't, then you don't need those people. Unfortunately, it's time for them to move on.

Government, unlike the private sector, where the private sector must respond to market-driven forces, and if the business isn't there, then they can't keep people on board. It's the same in government. If the business isn't there in the future, we can't afford to keep people sitting around, waiting for something that's never going to happen. And so the critical mass question, as it was raised to me was, well, say we only have eight hydrogeologists, for example, and the critical mass—in other words, a large number, you know, the number that you need to maintain the professional qualifications of the people there, is twelve, and you've got eight, you've got a problem. And you have to make a decision as to whether or not you go out and hire four people, so you have that critical mass—or, you eliminate the eight, and go out to the private sector and hire that on contract. That's your choice. Well, I guess you've got a third alternative, which is to limp along with eight, but you know then you're never going to do the job.

So you do have a decision to make. And as a manager, that's my decision to make. It seems to me that the answer to that question is, you look at the future, and what does the future hold for you? What are the types of activities and functions, and what's the *program* we're going to have in the future? Now, if the program doesn't include those people, then the decision is really a very simple decision—you don't need those people anymore. And if the program does hold that, then you've got a little bit tougher decision to make. But I've been through this, innumerable arguments and discussions about this with people, some of the people in the Denver Office. And they want desperately to cling to the fact that we have this group of people, we want to keep them, and we want to keep these talents here. And my answer to that is, "Yeah, for what? What do you want to keep them for? So they can all sit around and talk about the good old days?" If we're going to have fewer people and fewer dollars and more work, we can't afford to have a large group of people sitting around talking about the past. I need those positions, those dollars, to work on the things that we have that are in the future.

Storey: Pulling this back around to where we started with international activities, I take it, then, that while you see a continuing role for Reclamation in international activities, it's an evolving role, just like our evolving domestic role?

Beard: Yes, absolutely. I mean, I think that our involvement internationally, *historically*, in the international field, has been to be a construction manager and to provide technical assistance for large construction projects. I am trying to extract ourselves from those kinds of projects. I'm not going to send people overseas to do that in the future, because I don't see the reason why we should. I mean, there are private sector firms that are perfectly capable of being construction managers, and there are other countries that have construction management techniques and abilities.

What I'm interested in is trying to, in terms of our employees, is to try to get our employees involved in the management side of things: water resource management-type activities, as opposed to water resource construction activities, construction projects. The other thing is, to be perfectly blunt about it, American domestic environmental organizations and others have put no end to pressure on us to stop going over and providing a fig leaf of support to construction of various large projects in other countries. And frankly, I agree with them. Why *should* we do that? Some of those projects are undertaken with very poor planning and very weak economic justifications, and very limited benefits. Why should we be party to building those structures, promoting those types of solutions to problems that aren't really solutions at all. And I don't see any reason why we should be party to that.

Storey: Have any other countries requested assistance in this new approach to Reclamation?

Beard: Yes. It's funny in the international area—nobody ever asks you a question unless they know the answer first. So you spend a lot of time with people sort of asking vague questions. But we've talked to the Indonesians about this, and submitted a rather broad-based proposal to them. When I was in South Africa, I talked to them. I've talked with the Chinese, so, yeah, we've had some feelers—certainly not the number of feelers that we've had for construction, for having Reclamation construction managers, certainly. There's always a need and a demand for that, where countries, particularly Third World countries, are undertaking construction projects that are looking for experienced people in the construction management field.

Storey: So it would probably be fair to say that while international activities will continue, it'll be reduced in size?

Beard: No, I think international activities has been historically about one percent of our program, and I think it'll probably continue to be about one percent of our program. I think my visibility and my involvement will probably be

greater than that of my predecessors, but in a different way. I intend to speak out on the issues and attend international conferences and others where I can get a speaking role, speaking opportunity, and speak out on behalf of management issues—water resource management as opposed to water resource development activities—“push my agenda,” if you will.

Storey: Yeah. One of the activities that you’ve been deeply involved in is the National Performance Review and “reinventing Reclamation,” as it were. You’ve already mentioned that somewhat, but would you like to talk more specifically about NPR and reinventing Reclamation?

Beard: Well, when I came, I established the CPORT team [Commissioner’s Program Organization and Review Team] and actually got us going down the road, before I’d even *heard* of the National Performance Review. And the moment that I heard about it, I said to myself, “Oh, geez, we’re dead ducks now,” because these Executive Office of the President initiatives like NPR have a way of turning into large exercises where everybody writes a lot of paper and nothing ever happens. And so I was afraid, from the very beginning, that NPR would sidetrack, they would *prevent* us from going ahead and making changes in Reclamation, the changes I wanted to make: delegate day-to-day decision-making out to the field, make it a smaller organization and a much more responsive organization. And I was really fearful that NPR would get in the way of that. But to my surprise and to my delight, I must say, NPR has *not* turned out to be that at all. They’ve been more than willing to encourage, and they have encouraged us to be innovative and to take our own tack, if you will, our own approach to things. Now, I spent a lot of time going over and briefing the NPR folks on what it is we’ve been doing and why we’re doing it, what’s going on, because I wanted to make sure that they understood what we were doing and why we were doing it, and that we were not doing something that’s “wrong,” if you will.

I really do think that the quality of the product that they have been trying to turn out—I really think that the National Performance Review, in *my* twenty-five years in government, at least—is the best sort of effort that I’ve seen to try to improve the operation of agencies, that I’ve *ever* seen. If they do half of what they’ve tried to set out to do, we’ll permanently change the way government operates, forever. It’s terrific stuff. Now, there’s a lot of reasons why it won’t come to fruition, not the least of which is that there’s just a lot of inertia that operates against being an effective government manager, and having programs that are effectively managed. And because we went over and told them what we were doing and why we were doing it, and we gave them specific concrete results, we have turned out to be sort of a “poster child” for the National Performance Review.

I mean Vice President Gore has given us an award, the vice president wrote his report to the president after one year of effort in the National Performance Review—we were the lead story in that report. I don’t know if you’ve seen that report, but it’s an excellent . . . . I mean, the first sentence

of this chapter is, “Dan Beard is not your normal revolutionary . . .” I mean, it sort of goes on (chuckles) and describes *me* and what I’ve been trying to do with Reclamation, and talks a lot about the changes that have taken place in Reclamation. So we’ve gotten a *great* deal of publicity. I just got a phone call the other day from *Fortune* magazine: they called the vice president’s office and said, “We want to write something about government managers, and we need three examples of good government managers.” Well, the vice president’s office gave them me and two other people. Part of that is the successes we’ve had, but it’s also the fact that we’ve done a good job of lobbying people over there, letting them know what we’re doing.

Most people don’t realize how successful we’ve been—we’ve been *very* successful! I mean, to take an organization and to *decrease* it’s size by a thousand people! (Storey: Out of about 7,500.) Yeah, we went from 7,500 to 6,500. That’s one-seventh of our work force. And what is that? I’m not quick enough with the math, but twelve percent? I mean, you make an organization twelve percent smaller in *one* year, and you give it a significant new agenda, and you reduce its budget, and yet you keep morale up . . . . You know, in Denver we’ve eliminated two layers of management, we’ve increased the ratio, the number of employees to supervisors, from 1:5 to 1:15. We eliminated the seven-highest career positions in the organization—two deputy commissioners and five assistant commissioners. We’ve reduced the number of SES, Senior Executive Service positions, from twenty-three down to seventeen. And we’ve done that in an environment where we’ve given the agency a whole new role and tried to invigorate it with a lot of new activities. Well, that’s not a bad track record, and it’s one that frankly I’m very proud of, and I think that people in Interior, and also in the vice president’s office recognize it. They recognize that it’s not that easy to do. (pause)

Storey: So it’s my turn again? (laughs)

Beard: Yeah, it’s your turn. I’ve ended. (chuckles)

### **Water Spreading**

Storey: Water spreading is a topic that keeps coming up. (Beard: Yeah.) And, when I was put in the Program Analysis Office, I finally said, “Okay, tell me what water spreading is, since the primary responsibility is in my office now.” At first it sounded like a good deal: more water use and all this kind of stuff. But then it became apparent there were legal issues and all of those kinds of things. Do you have a sense of how water spreading is going to play out? At one end of the spectrum of potential decisions is, “We’re just going to make everything legal, so that we don’t have to deal with it.” At the other end of the spectrum seems to be absolutely strict enforcement so that water can only be used for specifically-authorized uses—*currently* authorized uses. Do you have any idea how this is going to play out yet?

Beard: Well, I don’t have any idea *how* it’s going to play out, the specifics of it. I

know how I *want* it to play out in the end. I think it's important to make some observations as to *why* it's a problem. I mean, it goes back to what I've talked to you about before. What was the purpose of this agency? Well, the purpose of this agency was to build projects. That's what we did, we built them and turned them over to somebody else. That's sort of what we did for ninety years. Now, we were given the responsibility under law, and *have* had this responsibility since 1902, essentially, that we were supposed to watch what use was made with the water. We were told water could only be used for certain purposes, and what we did is, we ignored that. We said, "Well, you know, we really want to get on to other projects."

And so we never really enforced the law. With all due respect, we had *no* enforcement capability. And every time the courts have looked at it, the courts have said, "Listen, you're not doing your job." In 1975, courts looked at the whole issue of acreage limitation and residency requirements, and the Reclamation Reform Act,<sup>10</sup> and they said, "Reclamation doesn't have any *regulations* to govern its enforcement of the law." And so we started to do regulations and there was a big flap and congressional legislation. The result was the Reclamation Reform Act of 1982.

Well, we're really in the same situation today. Essentially, what water spreading is, is illegal use of water. If it's illegal, you're *not supposed to do it!* Now we *know* that people are using water, we *think* that . . . . Our system is so bad, we don't even know what uses people *make* of the water. First of all, it's a pretty pathetic situation where we as an organization have been operating for ninety-two years, and somebody comes in to us and says, "Who's using water in this district?"—and we can't tell them! It's a pretty pathetic situation where we have . . . . We've had virtually *no* enforcement of Federal contracts, Federal law, state law, or state permits. I mean, in any other situation you'd call this theft. Somebody comes along and says, "Oh, I think I'll use that." Now, we dress it up and call it lots of things: we don't call it "theft," but essentially what it is, is that people with or without our concurrence or acquiescence, are using water illegally. Now that presents a tremendous problem to me personally, because it's a little hard . . . . Publicly, it's impossible. I can't stand up and say, "Oh yeah, we're going to allow this use, and not that use." "I mean, which laws are you going to enforce, Mr. Beard? *All* of them? or just *some* of them? And if it's just *some* of them, how do you pick and chose which laws you're going to enforce?" Well the answer to that is, I have to enforce them all, so I have no choice. And all the congressmen or senators that I stand up before, have got the same problem too, because they've sworn to uphold the laws as well! (chuckles) Now, they can change the law . . . . I think what we're going to find, as we . . . .

END OF SIDE 2, TAPE 1.

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10. The Reclamation Reform Act was passed in 1982. Dr. Beard was referring to the issues later covered in the Reclamation Reform Act that were raised by this lawsuit.



BEGINNING OF SIDE 1, TAPE 2. NOVEMBER 21, 1994.

This is Tape 2 of an interview by Brit Storey with Commissioner Daniel Beard on November 21, 1994.

Beard: . . . think with water spreading. And I think what we will find with water spreading, when we get into it, is that people are making illegal use of water, which, frankly, is a minor technicality. Incidental use is a good example, where we've classified certain lands as eligible to receive water, and we have a sprinkler irrigation system, and it sprinkles outside the area on a map. I call it "incidental use." And I think what we'll find is that that's probably a majority of the instances of water spreading, and we will find ways to administratively correct those problems. I think we will find some instances where there is something more major than incidental use, but that it's possible for us, after a while, to correct that administratively. And I think we will then, in a third category, find instances where there's illegal use taking place, where we will have to say to people, "You can't do that any more." And by saying that, it will really kick into place a number of equity questions, which are rather large equity questions, and those individuals will be able to go to the Congress and say, "Look, this isn't fair," and I think any reasonable person would probably say, "Yeah, you're probably right, it isn't fair." Such as, I would throw into that category, instances where somebody's been using, let's say, irrigating thousands of acres in an irrigation district for the last twenty years, and then all of sudden we come along and say, "Oops! You know, gosh, twenty years ago we made a mistake, we shouldn't have let you do that." Well, you know, that's a tough one. I mean, that's a really tough one, because you say to people, "Well, shit, you've had twenty years to tell us that what we were doing is illegal!" Anyway, so I think there will be a number of instances like that, and I think they'll have to be addressed legislatively. I don't think that it will go away, because there are a lot of people out there, there's a tremendous amount of competition for water, and there's a lot of people out there saying, "Hold it! These folks are using water illegally?! (Storey: "And I can't get any.") And I can't get any?! Well, you ought to bring the illegal use to an end and give the water to us!" And, you know, in some situations, that may be an Indian tribe, for example, where we have a significant obligation to them, under our trust responsibilities. Or maybe an endangered species, or it may be junior water right holders, or it may be who knows who? So this is not a situation where this is just callous Federal bureaucrats, callous, unthinking, and incompetent Federal bureaucrats who are bungling along, making mistakes, calling local people crooks. That's the characterization that they like to make, but it isn't true, because the moment you say, "Oh, well, yeah, that's right, that use is illegal," and there's usually no doubt whether or not it's illegal or not. Then there's a lot of other people that sort of rise up and say, "Well, hold it. We want an opportunity to be involved."

Storey: I understand it gets complicated: For instance, if we save water by eliminating water spreading, *or* through water conservation, sometimes the

state laws force the water back into the system down to junior rights holders and so on.

Beard: Yup. Well, I think the key thing for us to remember about water spreading, is . . . . You know, a gentleman by the name of Jim Rouse, who is a real estate developer—my wife has worked for him for a number of years—he’s the person who developed Columbia, Maryland, and a number of Festival Marketplaces—a very well-known real estate developer—and he’s got this favorite saying that “a problem is just an opportunity waiting to be found.”

And I’ve really been trying to take water spreading and *use* it as an opportunity. And here’s the opportunity that I see in this particular instance. We now have an opportunity to place our regulatory activities on a business-like footing. We have an opportunity to step in and say, “You’re right, there’s a problem here, and we’re going to lay out very specifically how we are going to conduct our business in the future; how we’re going to treat each one of these instances; and it’s going to be fair, and it’s going to be above board, and everybody’s going to see it.” And it’s a tremendous opportunity for us to really put the program, controlling the use of water, on a much more business-like footing than it has been in the past.

Our efforts in the past have been *pathetic*. I mean, if you look at the resources of this organization that we’ve applied to the construction of facilities, and the operation and maintenance of those facilities as opposed to the regulation or compliance with contracts and laws, it’s pathetic! I mean, we haven’t done that well at all—in fact, we haven’t done it at all. We haven’t really regulated the use that was made of the facilities. And so there *is* all kinds of illegal activity taking place, if you call somebody doing something that isn’t authorized by law, is illegal. We haven’t done it. And it’s tough for me, when I go up to The Hill and some congressman peers across the dais at me and says, “Well now hold it here, Mr. Commissioner. You mean to tell me your folks have been out there for the last thirty years and they’ve never said anything?!” And I have to look at them and say, “Yeah, that’s right!” (chuckles) And it’s a little tough! because it’s true.

The law *is clear*. The law says that notwithstanding the fact that the Federal government didn’t say anything for thirty years, it’s still illegal—and that’s the *law*. But there is also a *moral* argument that one can make, and that steps into the moral or political argument field, where *I* have to look at that person and say, “Well, yeah, we *didn’t* say anything for thirty years, and it’s unfair that we didn’t—we *should* have. But it’s still illegal. (chuckles) And the choice is, we either say it’s going to continue to be illegal, or you’re going to condone it—you’re going to pass legislation that says that *ex post facto*, we’ll condone it in some way.” And that’s the choice that the Congress is going to have to make. And I expect that we’ll send some up like that, and we’ll have some wonderful hearings where we argue about those kinds of things.

Storey: Do you suspect that maybe the reason this has happened is that the construction process is something that was politically, “copacetic,” if you will; whereas the regulatory process that would be involved in controlling the water was politically sensitive and difficult to deal with?

Beard: Well, I think the Interior Department as a whole has been a horrible—has no history or ability at being a regulator. The history of the Interior Department, *all* of the activities—Reclamation, BLM [Bureau of Land Management], [Office of] Surface Mining, Fish and Wildlife [Service]—any of them—we have all—we’re resource managers, is what we are. And a resource manager seeks compromises, tries to adjust things to handle a changing set of conditions. But a regulator is somebody who comes in and says, “Here’s the law, here are the regulations, you will conform to this.” And people at EPA [Environmental Protection Agency] or OSHA [Occupational Safety and Health Administration] or some other regulatory body, are used to operating in that kind of environment.

We in Interior, and in Reclamation as well, are *not* used to operating in that kind of environment. Our whole program, if you look at it and look at the history of it, is that it’s a series of compromises that we constantly made to benefit a constituency of some kind, to say to them, “Oh yeah, I know this is a hardship on you. We’ll just bend a little bit here to help *you* out.” And then the next person comes along and says, “Oh, well, Joe got this, and so what about me?” “Well, you know, I guess we’ll bend a little bit to help you too.”

But all of it is sort of designed to smooth over and to avoid the confrontation that comes from saying, “No!” Because one of the frustrating things about government is that somebody has to say “no,” at some point. And we always sort of avoid having to say “no.” We always want to try to work things out for people, no matter how unreasonable they may be. And it’s just sort of the history of the organization we operate within, and the history of our organization, because the people who headed the organization have always headed the organization. Nobody comes in here and says, “Boy, I’m glad I’m the commissioner, and now the top priority for me is going to be regulating water use!” *Nobody* says *that*, because that’s no fun. (Storey chuckles) You don’t get “high fives” and congratulations for saying, “What was my tenure? My tenure was that people made good use of the water and I complied with the law.” Most everybody would sort of look at you like you were some kind of nut. And I think, in many respects, that’s the wrong way to look at it.

The reason water spreading is a problem, frankly, is because I’ve *made* it a problem. I have felt for many years that this was a huge problem out there waiting to be discovered. Now, I could have done what everybody else did, which was to form a task force to ask them to study the issue, and they would have reported back about six months after I left here, whenever that was. (Storey: Um-hmm.) But I chose not to do that. And when I talked

to people on The Hill, I told people on The Hill they ought to have a hearing, and they did. And I happen to think that water spreading is an issue we should look at, and we should consciously make an effort to resolve, because, you see, if we don't resolve it, what that does is, that casts a cloud over the ownership of an asset that a farmer has. I mean, if they're illegally using water, and we go write to them and say, "You're making illegal use of water here," the value of their property declines significantly—in some cases, down to zero. And I think, given the increasing amount of competition that's coming for water, I was really surprised that people didn't make water spreading a bigger issue than it was. So I've really felt all along, I encouraged anybody who brought the issue up to say, "Yeah, you ought to look at it, it's an important issue." And, as a result, it *has* become an important issue. And I haven't avoided the issue. I mean, I could have ducked it. In government, you can duck a lot of issues. But I've chosen not to duck this one, because I think it's important.

Storey: Another regulatory issue, as you pointed out, has been around since '75, is the Reclamation Reform Act.<sup>11</sup> How are we doing there?

Beard: Well, come back in a couple of weeks! Essentially, we entered into an out-of-court settlement. A lawsuit was filed against us, saying that we didn't do an environmental impact statement when we issued the regulations in 1987. They're right, we didn't, and we should have. So we reached an out-of-court settlement with Natural Resources Defense Council, and as part of that settlement, we agreed to do an EIS [environmental impact statement] on our regulations, and look at a number of alternatives for changing our regulations. And I sent the staff off to come back to me with recommendations on how to change our regulations. And frankly, the recommendations they've come back to me with are—pretty heavy. I mean, this is going to be very controversial, and it's going to generate a very predictable set of criticisms and the farm-water coalition will be reinvigorated, and every irrigation district in the West is going to start screaming and yelling at their congressman and senator that Reclamation is once more—"the crazies have taken over and they're trying to take our water, or our land" or something.

And so I have been struggling with this issue, what to do about it. How do I avoid that fight, that sort of predictable . . . . I mean, on the one hand, the regulations that were written in 1987 essentially gutted the Act, in my view. They took the 1982 Act, and they took the sting out of it, and they really gutted it through the regulations. Now, when I asked the staff to go back and rewrite the regs [regulations] to enforce the law, they came back and its tougher regulations. And so I've got to figure out a way where I can either split the traditional coalitions, or somehow avoid this big fight. And my first idea was to issue these regulations and stand up and say, "Ain't it

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11. The Reclamation Reform Act was passed in 1982. The issues surrounding acreage limitations have been around considerably longer, and they were accentuated by a court decision in 1975 saying Reclamation wasn't properly enforcing acreage limitations.

ugly? I mean, here are these regulations, this is what it's going to take to enforce this law, and isn't it ugly? I mean, this is horrible! And I think the Congress ought to change the law."

I personally don't think the 1982 Act is relevant anymore. The 1982 Act was designed to spread the subsidy of the program to as many people as possible—that was the whole intent. That's why they put a limit on ownership and all the other things. But today, that isn't a problem, because we're not building any more projects, and the projects we have are getting older, and older, and older, and older, and they're suburbanizing, and after a while, the subsidy, you know, sort of peters out. I mean, the subsidy is very high in the early years, but not very high in the later years. So really, subsidy is not really as big an issue as it once was, as it was fourteen years ago when the Reclamation Reform Act was being debated.

The issue that we face in the future is competition for water—we need water, and yet we can't build reservoirs. Society has said, "Oh, don't build any more reservoirs, but give us more water." Well, the only way you can do that is through conservation, efficiency improvements, water transfers—the whole gamut of sort of soft-side solutions. *That's* what we ought to be encouraging, *that's* what we ought to be focusing on, is how are we going to get more out of our system, the system that we have today. What incentives can we give to districts and water users in general, to use less water, to make more water available for other uses.

And so what I'm planning to do with the Reclamation Reform Act Regulations right now is that I'm planning to go to the National Water Resources Association Meeting, and I'm planning to announce that here are our regulations, this is what it's going to take to implement this law in accordance with . . . . Here are the regulations it takes to implement the law, as we view the law, *but* in my view, that's sort of an irrelevant discussion, and that what we *need* to do is get working on today's problems, and the problems of the future. And so what I'm going to propose is that I am willing to undertake—I am willing to sit down with every irrigation district and execute a Memorandum of Agreement with them, whereby we will deregulate them in return for their commitment to improve the management of their water resources. So in, other words, what I'm proposing to do is to go out and say, "You've got two choices, folks. You can go with these regulations and the 1982 Act, and if you do, good luck, have a great time. Or, you can sit down with us and develop a management structure for *your* resources, and we'll deregulate you, we'll relax the specific regulations and stuff, we'll deregulate, we'll get rid of red tape for improved water management, is essentially what we're willing to do. And we're going to make sure that you're first in line for any grant money, you're first in line for any small loan money, you're first in line for any rehabilitation and betterment money. If you're one of the districts that's willing to sit down and write one of those agreements with us, then you'll be first in line, and you'll be the primary focus of our program.

All these other people who are going to be over working under the old Act are going to be—that's fine, they can go off and do that if they so chose, but I want to talk about the future." So it's a way to sort of bifurcate the program. So if I'm out there working with people to solve problems, and I've deregulated them, then I in essence have avoided a big fight. There'll still be a fight, but I'll have people who are on my side. I'll have allies. I don't know whether it'll work, but I don't really have an alternative, because the alternative is, I've got to publish these regulations, and frankly, the regulations stink. I mean, you know, it's just . . . . (sigh) They're complicated and they're ponderous. *Our* lawyer here in the Department looked at them and said, "*I* don't understand half these." It's pretty bad when your own lawyer can't understand them! So that's one of the things that we're up to in the Reclamation Reform Act.

And the reason I want to go in this direction is, the frustrating part to me about government is, here we are, we're sitting in 1994, we know what the problems are today, we know what the problems are going to be the next ten years, and we have a statutory and regulatory culture which has us looking at problems that are twenty years old, and we're supposed to beat these to death. We're supposed to look twenty years back and concentrate on that. And I'm sitting here saying, "No, that's exactly wrong, we ought to be looking twenty years into the future, and trying to figure out how we can solve tomorrow's problems, not today's, or not yesterday's. And we ought to look to today and to the future and see how is it we can solve those problems?" And government just doesn't move that quickly, unfortunately. And so what I'm trying to do is see if I can get around it. Who knows, maybe I'll try and I'll fail. But at least in my brief little tenure here, I will have tried to make a difference.

Storey: How do you see water transfer playing out? When I read a speech by Assistant Secretary [Elizabeth] Rieke, and, I think, even your speeches, there's talk of a migration of water away from agricultural uses to municipal and industrial uses. But against that, you have a very complex legal system in the West. Do you have any ideas about how these transfers are going to take place, how the migration is going to occur?

Beard: Well, I think that if we did nothing, they still would take place, because water flows uphill to money. When I meet with Las Vegas officials, they always worry about, "Gees, we're going to run out of water." And I keep telling them, "You guys aren't going to run out of water. You're willing to pay so much for water—in the end, if things really get tight, you're willing to pay *so* much money for water, that in the end, you're going to get the water." Water transfers are inevitable—there's simply no other way to describe it.

I mean, look where we are: we have an expanding population in arid regions of this country, in the Sunbelt; you have increasing *demands* for water from larger population; more and more people are coming along and saying, "Well, we want to water ski, and we want water in the river, and we

want water for this, and water for this, and water for *this*, and protect all the endangered species too.” And then we have endangered species coming along, and that’s increasingly a problem for us. And we have all these new demands on us, and yet society has turned around and said, “Oh, and by the way, don’t build any water projects, get out of the dam-building business.” Well, but that’s the way you “make,” in quotes, water. I mean, that’s how you store water and capture it. So if you can’t “make” water in the traditional sense, which is the construction of storage reservoirs, then the only alternative you have is to make more efficient use of your current system, or transfer it from one user to another. And it’s inevitable—I don’t see any alternative to it. And as a result . . . Now, you correctly point out that it is really a matter for the individual states to determine—individual state law rules.

One surprising thing in recent years has been the improvement in the administration of water on the part of the states. I think states have done a much better job in the last ten to fifteen years than they did the ten to fifteen years prior to that. And I think they realize that it’s inevitable as well, because they’re under the same system. And so transfers are inevitable—the only question is “How do we do it?” and “How can we do it in a way which is publicly acceptable?” And that’s the challenge that we’ll have.

Storey: Okay, good. If you’re willing to discuss it, I’d like to talk about the election that happened earlier this month, and how it might affect you personally, how it might affect Reclamation, what your thoughts are for your future with Reclamation, and so on.

Beard: Well, I think the election that occurred, the Senate went from being Democratic to being Republican, and for the first time in forty years, the House of Representatives went from Democratic to Republican hands. Well, the first reaction is great disappointment, obviously, that my side lost. And then the second thing is, there’s great disappointment that many friends that I have on The Hill have lost their jobs. I mean, they’re essentially out of a job and they’re looking for a job.

In terms of what its impact is going to be on Reclamation, I don’t think it’s going to have any impact on Reclamation. I mean, I think that the course that we’ve set doesn’t have anything to do with politics—it’s inevitable, and it’s going to proceed in that direction.

For me personally, I think it probably *has* made a difference. I would have to say that the last six months of this job have been very tough—not a lot of fun. And I’ve given a lot of thought to why should I stay on any longer? because I sort of restructured the organization, downsized it, set things into motion. What’s the use of staying around after you’ve done sort of the heavy part, a lot of the more difficult and the challenging decisions have been made. So in many respects I was really beginning to think to myself that maybe it’s time to go do something else, find another challenge. But I think this

election has really—I'm kind of looking forward to the opportunity to see what happens. I mean, to me, it's going to challenge the way we think, and certainly the way we operate—at least in a political sense it'll change things. *Now* the Congress will be an unfriendly Congress—on the surface, at least, it'll appear that way. And it'll be a Congress that we'll have to approach it differently than we did the *last* Congress. And the hearings will certainly be a lot more fun—hopefully there'll be a few more sparks than there have been in the past. The last few hearings we've had have been totally boring and not much fun. So I think that it's kind of got me interested now. I mean, you know, this is going to change things enough that maybe it'd be kind of fun to stick around, see what happens. You know, it's only been two weeks, so it's a little early to tell yet. We'll have to see, but I think that it's going to make things much more interesting, and certainly more challenging. I don't think that it'll affect us that much directly because I've already met with the Republican staff people in the Senate, for example, and they feel very good about where we're going, and I've known them for many years and worked with them a lot. We don't know who's going to be in the House side, so we'll just have to find out who that is. But my guess is that it isn't going to make *that* much difference.

I mean, sure, the water spreading hearing will be a lot different, and a *lot* more on the side of the water users than it would be on the side of the environmentalists. But the House of Representatives is going to be a very close—the difference between Republicans and Democrats is very small, actually, only about twelve seats, I think. We'll have a lot more interesting hearings, so in that sense, I'm kind of looking forward to it.

Storey: You mentioned earlier that this was a catastrophe for the Democratic Party. One of the things I've been fascinated with, watching the election, is you have the National Performance Review, which is attempting to reduce the size of government, eliminate regulations and so on—for the first time I can remember, we have actually had deficit reduction, (Beard: Um-hmm.) the Crime Bill went through, the attempt to get what appeared, at least initially, to be a very popular health program through was attempted. Do you have any ideas about what happened?

Beard: Oh, no, no particular insights. I mean, what really happened is, the number of voters who came out was very small . . . .

END SIDE 1, TAPE 2. NOVEMBER 21, 1994.  
BEGIN SIDE 2, TAPE 2. NOVEMBER 21, 1994.

Beard: . . . election was that a disproportionate—not many people came to the polls, the turnout was very small. There was a disproportionately-large number of middle-aged male voters, all of whom voted against the Democrats, frankly. The normal constituencies that come out on behalf of Democratic candidates didn't come out. And I think there was a great deal of dissatisfaction with President Clinton, personally, on the part of many voters, but particularly



male voters who found his agenda and his actions—I'm not sure what they found repugnant, but they sure voted against him. It would have been one thing to say that this was an anti-incumbent election, but it wasn't, because no incumbent Republicans lost—and a lot of Democratic incumbents lost.

Storey: Uh-huh, people like Speaker Foley.

Beard: Yeah. So obviously it was an anti-Democratic incumbent vote. I'm not enough of a pollster or a political prognosticator to know exactly *what* happened. I know that by going around and talking as much as I do, and giving as many speeches as I do, that there was something wrong out there—there was some great discontent—and a lot of it was very strange. I mean, as you've said, every economic indicator was up, from an economic perspective. I mean, if you were ever going to have an election, you'd want to make sure that the unemployment numbers were down, and all those indicators were going in the right direction. But there's just a tremendous amount of dissatisfaction out there. And, who knows, we'll probably find out somewhere down the road.

There's another thing, though, that I think has something to do with it—President Bush had the same problem, that in an era where you have instantaneous communication, you have the development of attitudes in this country, you know, rise and fall, through television it's done almost instantaneously, so you have sort of this development of these kinds of attitudes and outlooks that happen rather quickly, because we live in such a heavy information age. I mean, you're inundated with information now. I don't know, we'll just have to see. We'll see what comes of it, but I don't think it's going to affect us that directly.

Storey: One of the things that's been going on in Reclamation since 1942-43 when the Regions were created, was an evolution of power away from the Denver Office, which was traditionally the "field headquarters," toward the Regions. And one of the things that I have been very interested in, in this most recent reorganization was—and you've already mentioned it today—was the passage of a lot of authority and responsibility down to the Area Offices. A person I was talking to recently observed that the Regions were jumping up and down saying, "Ah, we finally have taken a lot of the control and oversight and those kinds of responsibilities away from the Denver Office, and now they're at the Regional Office." And then they woke up and they weren't at the Regional Office. It had all slipped past the Regional Offices into the Area Offices. (Beard: I hope so.) Would you care to comment further on that? Was that intentional? (Beard: Yes!) Did the Regional Offices understand that was going to happen?

Beard: Well, I don't think that they . . . Well, it *was* intentional. I mean, the whole *purpose* of the restructuring was to take the authority . . . The central concept we were trying to operate under is to take the ability to make decisions, the power to make decisions, and give it to people who are out at

the lowest unit of your organization, which is the field, the Area managers. And it was *not* intended to move it from Denver to the Regions—it was intended to move it from Denver out to the Area Offices. I really think that in the beginning, most regional directors, the five regional directors that I operated with, their first reaction was, “This is a good thing for us, we are going to get more authority and responsibility.” And I think most of them after a month or two realized what was going on, because some of them commented on it to me. I mean, they actually said to me, “You know, if we really move this concept forward, it’s going to mean that *we* will get smaller.” And I said, “Yeah, and you *should*, because that’s what we’re trying to do.” And I think that in the end, they all not only recognized it, but they agreed with it. Almost all the Regional Offices are now smaller, and they’ll continue to get smaller. You know, I look at it an awful lot like a college professor—I’m going to hate to keep jumping up and getting the satellite view of things, but I think it’s very important for people to understand. I mean, form follows function. You have an organization, you organize in a certain way so that you perform your functions. Now, when we were a *construction* organization, we needed to have a Chief Engineer, and a Design Office, and all those kinds of things. But that isn’t what we do anymore. That is no longer our *raison d’être*. We are now going to be a management organization, a *water* resource management agency, just like BLM is a *land* management agency. And you don’t need people in a central office making decisions in that kind of a situation—you need those decisions being made out in the field, as close to the problem as you can get them.

Secondly, some people simply don’t understand that the *world* has changed. In the 1940s, the Regional Offices were actually established to provide a counterbalance to Denver. Denver had become too big and the people in Washington said, “Look, we’re not running this organization—we’re the tail that wags the dog. It’s really being run from Denver.” So they established the Regions for that very reason. And so what we’ve got to realize is that we now live in a society that’s different than it was in the 1940s or the 1950s or the 1960s.

We have six thousand five hundred employees in this organization, ninety-five percent of whom, I would dare to say, have been to college, or *are* going to college, or have graduated. A *large* percentage have graduate degrees. All six thousand five hundred or at least six thousand three hundred at least, are all interconnected on an E-mail system, a computer system. We *talk* to one another. We can talk directly to one another. In 1940 you couldn’t talk directly to somebody: you couldn’t pick up the phone and call them, you couldn’t E-mail them, you had to write letters. And you had to have middle managers to . . . . You send out instructions, and the middle managers interpreted the instructions, and they sent them down, and they went down through the hierarchy. And at the bottom tier were all the people who were doing the work, and for the most part, a majority of those people probably didn’t have a high school education. Now, the vast majority have a college education—they all read, write, and speak, and they’re all computer

literate. Not only that, they're all interconnected with one another. And they go home and they turn on the television and they instantaneously know everything that's happening in the world.

Well, today, it's a lot different world, and the people who work in Reclamation are a lot different than they were. Now, it stands to reason, that if *that's* the case, the way you structure this organization ought to be different too. I mean, we really don't need as many . . . . Frankly, I think we'll get to the point rather quickly where we don't need *any* Regional Offices. And I think what's going to happen to Denver is Denver's probably going to downsize over time, because you're not going to need them either. It's entirely possible—it'll certainly be long past my tenure, ten years down the road or whatever. But there's nothing wrong with that: organizations evolve, and they change, because society has changed the way we do work. I mean, there's many things about government, we're poised on the edge of really changing things significantly.

For example, position descriptions: We have *jobs*—everybody here has a *job* and it's described, and it's classified as to how important you are and how much money you make. Well, that isn't really relative in today's world—people don't have *jobs*, they have *skills*, and they perform services and activities. I mean, we're going to get away from the whole concept of jobs in the United States rather quickly. You know, it's frustrating to me, as I go through the organization, I get frustrated sometimes because people . . . . There's a certain comfort, I guess, that comes from knowing, "I was hired as a Federal employee, and I'll always get to work as a Federal employee. I took a little bit lower salary, but I've got stability and I'll be able to stay here the rest of my life." Well, I think that concept is gone—I don't think those days are ever going to come back. We're not running around electing people saying, "Let's hire more public employees!" There isn't any mayor, city councilman, governor, or presidential candidate, who's running around saying that. Everybody's now running around now saying (chuckles), "Get rid of people." (Storey: Um-hmm.)

So I don't know, I hate to expound at great length about the whole concept of work. But I just think, people in *my* position, I consider myself a leader—I don't consider myself a manager. I don't manage anything. They won't even let me manage my schedule! (chuckles) Somebody else has to manage it for me. But I'm a leader, that's my job. My job is to try to see the future, to think about what the future is, and to try to get us as an organization headed in that direction. I don't mean to downplay my role—my role is to make decisions—but it's also to lead people in a certain direction. And *I* think it involves skills that are much different than anything I've ever had before, and frankly, that's the reason I like this job. I've had a good time at it, because I've gotten to do things that I never did before. Most people in this place don't realize that I'm really quite an accomplished writer, I wrote committee reports and bills, and reports and letters and memos, and that's what I did for a living, for years, as a staff person. And now I don't write

anything—but why should I? I’ve got 6,500 people who work here! (Storey: With a lot of skills.) With a lot of skills.

Storey: Well, I would like to keep going, but our time is up, unfortunately. I’d like to ask you whether or not you’re willing for the transcripts and tapes from this interview to be used by researchers inside and outside Reclamation, under the same conditions which we agreed to before, which was that they would be open one month after you left Reclamation.

Beard: Yes, that’s fine with me. I’m going to regret that, I’m sure, thirty-one days after I leave this job, or thirty-two days, to have a bunch of this come back and haunt me. I’m sure I’ll regret it, but that’s okay.

END SIDE 2, TAPE 2. NOVEMBER 21, 1994.  
BEGIN SIDE 1, TAPE 1. APRIL 4, 1995.

This is Brit Allan Storey, Senior Historian of the Bureau of Reclamation, interviewing Commissioner Daniel Beard in his offices in the Main Interior Building in Washington, D.C., on April 4, 1995, at about one-thirty in the afternoon. This is Tape 1.

### **Rego II-Second Phase of Reorganization**

Storey: Mr. Beard, of course you and the secretary of the interior announced the reorganization, the second phase, “REGO II,” as it’s called, for Interior, a week ago Monday. Would you care to comment on that and how it’s going to affect Reclamation and what the major issues that you see for Reclamation are?

Beard: Yeah. Just by way of background, in the summer of 1993, the president established the National Performance Review [NPR] initiative, under the direction of the vice president. The first round of work under NPR was to try to find ways to make agencies operate more effectively at less cost. And it was sort of focused on how the agencies operated. And the changes that we’ve made in Reclamation have been focused in that direction, and we got a lot of credit from the vice president’s office and the NPR staff.

With the election in November of ‘94, the Republican sweep of the Congress, there sort of became a renewed interest with the administration in having a second round of discussions about Federal agencies. And the second round was intended to look at what we do as a Federal agency, and whether or not we needed to continue to do that in the future. And each Federal agency was directed to undertake that review by the president, through a memorandum that was sent around each agency. The Secretary [Bruce Babbitt] put together a group of people—it was chaired by me—a woman by the name of Jodi Kuzak [phonetic spelling] was on it, and she’s the Department’s representative to the National Performance Review Task Force. Also on it were a deputy assistant secretary from policy, Theresa Truhicky [phonetic spelling], and then the assistant secretary for international

and territorial affairs, Leslie Turner. The four of us undertook a rather truncated review of departmental activities. The review lasted only about six weeks, and we met with present and former employees of the Department, pulled together as much existing data and information as was available, and then relied primarily on the agencies to come forward with recommendations for things that they no longer needed to do. And then out of that, those recommendations we presented to the secretary, and then he in turn worked with the president to hone those, and those were announced two weeks ago.

For Reclamation, we focused on two issues, and there are two sets of recommendations. The first set of recommendations are that we should undertake an aggressive facilities transfer program. In other words, we ought to work with units of local government to transfer dams, reservoirs, canals, drainage ditches, or other facilities that are in Federal ownership, to the ownership of units of local government or state government, as appropriate; and/or turn over the operation and maintenance responsibilities for facilities that we own, to units of local government. The only proviso was that we should only undertake these two activities, transfer title, or transfer O&M, for facilities which are not of national importance. Obviously, Grand Coulee and Hoover are of national importance, and ought to remain in Federal hands. But there are many hundreds of local facilities that frankly, we just perform local functions to supply water to either an irrigation district or to a community, that could be just as well performed by a unit of local government or the state government. The primary reason why this is so important is that approximately 2,000 of the 6,600 employees in Reclamation are involved in operation and maintenance responsibilities. The extent to which we can decrease the *number* of people that we have on the Federal payroll will, in turn, decrease our expenses and our responsibilities in this area. So it offers us an opportunity to reduce costs and reduce the size of the organization even more. More importantly, I think, though, that it means that we can focus-in on our responsibilities as a Federal agency. We're involved because it's of national importance that we *be* involved. So that's the first set of recommendations, facility transfer.

The second set of recommendations is that the secretary will issue a Secretarial Order, directing that Reclamation will no longer accept applications for five loan programs: the Small Reclamation-owned Projects Act, loans under the Rehabilitation and Betterment Act, distribution of the P.L. 130, High Plains, and I've forgotten one other. But the whole point is that we have been a banker over the years, we've had loan programs, and frankly, we're a *lousy* banker, in my opinion. We offer people incredible repayment terms. And it costs us probably more to keep track of all the money we've loaned. It would be cheaper to just simply give it as a grant and get it over with.

Part of it is the perpetuation of this myth that Reclamation projects repay their costs, which is sort of the fundamental myth of Reclamation is that we repay our costs, these are just loans over time. Of course they *don't*

repay their costs. We would no longer accept loan applications for these five programs, and in essence, we'd cut off the pipeline. These programs have a tendency to perpetuate themselves, primarily because people keep accepting applications, and then once an applicant gets in the process, you go to shut down a program, and they say, "Oh, gee, unfair. Change the rules of the ball game in the middle of the game," and all that kind of stuff. So what this would do is bring an end to our involvement in these loan programs.

Those are the two primary elements, and I think they're fundamentally important to the future of this agency, and to us *as* an agency.

Storey: I heard you talking about downsizing as we disposed of O&M. Do you see any downsizing beyond that in our future now?

### Downsizing of Staff

Beard: I do, and I think to be perfectly realistic, when I came here, there were 8,100 people. Today there are 6,600. We've downsized by approximately 1,500 positions. I have *signed* agreements from another 700 people to leave over the next year-and-a-half through the Voluntary Separation Incentive Program, V-S-I-P. In addition to that, we are winding down construction on the Central Arizona Project, fully anticipate that many of the people that are on our construction force there will go off Federal payrolls. And through transferring facilities to municipal and local government, our operation and maintenance people will go down. So yeah, I anticipate continued downsizing, although there's no sort of "design" to it. Federal agencies ought to be as big as they need to be to get the program done. If we don't need people to accomplish our program, then why are they here? Why should the people be in Federal employment? That's a fundamental question. But yes, we are going to get smaller. *Every* agency is going to get smaller. I've said this repeatedly to people, and I believe it. When you look at the future, only three things are certain: we're going to have fewer people, fewer dollars, and more work.

Nobody's come along and said, "Reclamation can take time out for the next two years and doesn't have to do any work, or doesn't get any new jobs." We get new jobs all the time, but yet we have fewer people and fewer dollars. One out of every five workers has left the Bureau of Reclamation in my tenure. And by the time these buy-outs are completed, it'll be one out of every four.

If one out of every five workers has left, and we have a budget that's \$100 million less than what it was two years, down from about \$800- to \$700 million, at some point, one has to recognize that maybe you just can't continue to do everything you've ever done. And of course that's the most frustrating things for Federal employees to accept, is that change means not doing everything you've ever done. Somehow the thought that you would just no longer do something, just doesn't seem to enter the vocabulary,

unfortunately—but it’s a reality. We’re not going to be able to do everything we’ve ever done.

I just set up a meeting of the area managers and regional directors in Kearney, Nebraska, several weeks ago. And we have decided to undertake a process which we’re referring to as the “plate process,” which is the process of saying, “Look, our plate is only so big, and as we add more responsibilities onto our plate, we’re going to have to take something off of it. We can’t keep adding new sets of responsibilities to the responsibilities that our work force has to do, and expect them to do everything they’ve always done in the past. At some point you have to say, “Well, okay, we’ll add this one, but we’re going to take this one off the plate.”

It’s going to be an intriguing process, because I’ve got people now thinking about this issue, thinking about the possibility that, “Gee, we’re no longer going to do something anymore, that we’ve done for many years.” That’s what the nature of change is. But it’s fundamentally important, because our business is changing so quickly.

Storey: What do you think is going to be added to the plate? What do you anticipate?

### **New Responsibilities for Reclamation**

Beard: Oh, it just never stops. Indian water rights settlement, assistance to Indian tribes, regulations on the lower Colorado River, water supply for expanding communities in the Sunbelt, environmental restoration activities. Just every day there’s a whole new set of responsibilities: Do this, do this, do this, do a big study, do a programmatic environmental impact statement [EIS], renegotiate these contracts. I mean, there’s never any end to the kind of work that you have to do. And at some point, you just have to recognize, “Well, maybe we can’t do it all. Maybe we’ve got to figure out some things we’re *not* going to do any more.”

Storey: That’s interesting, because with a lot of people, what you keep hearing is, “We’re going to have to do more with less.” (Beard: Right.) And you and several of the regional directors have said, “Now, wait a minute, we’re already at the limit of what we can do. It’s now a matter of picking and choosing what we’re going to do, adding new things, taking off old things, that sort of thing.” It’s an interesting change, and it’s one that is going to take a while to filter down, I suspect.

Are there going to be any departmental changes out of REGO II that are going to affect Reclamation?

Beard: Oh, I wish the answer was yes, but I’m not altogether very optimistic, to be perfectly honest with you. This exercise that I went through under REGO II was *exactly* the same exercise I went through in 1979, and ‘80 when I was

with a departmental task force to form a Department of Natural Resources. At that time, the Carter Administration and Secretary [Cecil] Andrus were very interested in developing a Department of Natural Resources. So we went through this long, elaborate process and I feel that many of the recommendations that were made in *this* round, reminded me a lot of the exercise that I went through fifteen years ago—sort of “much ado about nothing.” I don’t think that a lot of it will result in much. Increasingly, in my opinion, the biggest problem in the Department is just a lack of leadership in the individual bureaus. I just think that bureau heads come in, and they just want to continue to do everything we’ve done in the past, and they don’t want to change anything. Now, I can understand why they want to do that, and they just want us to incrementally add to what’s been happening. But I think as a general matter, in my opinion, the reality for Federal agencies is that we’ve had a fundamental shift in government. It’s like plate tectonics—the plates have shifted, and the future of Federal government activities, certainly is fundamentally different than it was twenty years ago. And that fundamental shift is, that you’re going to downsize and your involvement in issues is going to decline.

In many respects, the Reagan Revolution lives. The Reagan Revolution survived. Reagan was interested in less government. In reality, that’s what’s happening. You know, you listen to the rhetoric of both the Republicans *and* Democrats is that there’s just . . . . The thought that you would solve a problem by throwing more money at it through a Federal agency, which is the approach taken in the 60s and the 70s, is completely out the window—nobody talks in those terms now, none of the political establishment talks in those terms. And I think there’s been a fundamental shift in government, and the way in which government agencies will be used. I don’t think many people recognize that. I think it’s increasingly becoming a subject of concern.

For example: Federal employees were hired thirty years ago, or twenty-five years ago, or twenty years ago, or even fifteen years ago, and there was a sense of security, “Okay, I’ve got a government job, nothing’s going to happen to me.” Not any more! I think there’s *considerable* anxiety on the part of Federal employees that “Gees, I wonder if I can make it ‘til retirement, or the next five years, or whatever.” And there *ought* to be. I think that’s a very real concern on their part. I think that Federal agencies are going to get smaller. It’s just a fact of life—that’s what’s happening in government today.

I remember having a conversation with one employee who said he was frustrated because he was an engineer and he had made a decision when he got out of college, that he wasn’t going to go for the big bucks, which he could have gotten by going to work for an engineering firm, and instead take less pay, but receive the security of working for the Federal government. He said, “I made that choice, and now here it is twenty-five years later, and not only [do I] get less pay, but now it’s just as insecure. This isn’t fair!” Well, I



don't know whether it's fair or not, but that's the way things are, and that's what's happening in government.

### **Facilities Transfer Issues in Reclamation**

Storey: Um-hmm. Obviously, we're in the early stages of looking at facilities transfer, but what kinds of issues do you see coming out of that? What kinds of things do you think might speed it along, and what kinds of things do you think might slow it down and cause problems?

Beard: There's a number of big problems, but the biggest problem is going to be Why would anybody take them? to be perfectly honest. If the Federal government is operating and maintaining a system and it owns title to it, why would you as a local entity want it? What's in it for you? And that's a key question to us: As we take a facility and we transfer it to local control, a whole bunch of Federal strings are connected to that facility. What is it that you cut? Do Federal environmental laws still apply? Well, who knows? Do the acreage limitations and pricing provisions of Reclamation Law, do they apply? I wouldn't think so. If you transfer this facility, why would you continue to do that? But there's all kinds of questions that are involved. What are the relationships that exist? That's the first problem.

The second problem is, price. I mean, you transfer this to somebody at a certain cost. There may be facilities where we should be willing to give it to people free, "Here, take it." There may be facilities where we're going to have to charge them something. There's repayment involved, and we're going to have to come up with your repayment, and that's sort of it. Or there may be facilities where we pay somebody to take it. We actually go out and say, "Okay, here's a pot of money and we'll transfer it in an 'as is' condition, but you can use this money to fix it up." So I think price is going to be a major factor.

I think the other thing that's going to be increasingly a problem is that our projects don't operate in a vacuum. There are other interests and "stake holders" -- I guess that's the right word -- that are related to our projects. For example, let's just say we own a little single-purpose facility in the middle of Kansas or something. Great, we'll transfer it to the State of Kansas, the local water users. Welllllll, maybe. Maybe there's an Indian tribe downstream, and there's Indian water right concerns. Maybe the Fish and Wildlife Service has endangered species concerns, or fish and wildlife concerns, or mitigation concerns. Maybe there's Forest Service or BLM [Bureau of Land Management] land related to that. Maybe the environmentalists have a big stake in things there, and don't want the Federal government out of having the ownership for it. So there's lots of stake holders that are connected to our projects, and it may in fact turn out to be very difficult to transfer facilities. But I really do believe, over the long run, we have no choice but to transfer those things. (aside discussion about background noise) But I think there are so many interests involved in our projects, and those interests have

relationships with us and they have rights. And we have obligations to them. We can't ignore those obligations, and so we're going to have to figure out a way to get through that. Frankly, I think transferring title or operation and maintenance responsibility is going to take years to do. I don't think that it's something we're going to do in six months. I think this agency will be grappling with it for another four or five years, because it also flies in the face of bureaucratic inertia. I mean, these are *our* projects, and we're not going to give *them* up. And there's a lot of people that still believe that, "They're ours, we ought to keep them." Unless there's some real commitment from the top, I think it's going to be very difficult to work this thing all the way through.

Storey: So you see this as a pretty long-term thing.

Beard: Absolutely. It's already been underway. In the 1987 Assessment Report, this was an issue that was raised. And the policy was sort of put into place that we ought to transfer as many facilities to local operation and maintenance as possible, and we started out and did a few, and then it sort of trailed off. So we're back sort of now trying to recreate what we did in 1987.

Storey: And if I understand it, we'll have to have authorization in order to transfer properties?

Beard: To transfer title of *any* facility in the Bureau of Reclamation takes an act of Congress. Now, I intend to work with the Congress to try to get some general legislative authority. In other words, facilities under a million dollars or a half-million dollars can be transferred by action of the Secretary or something like that. But any transfer would take an act of Congress. So Congress will have to act on this.

### **Reclamation Projects Don't Repay Costs**

Storey: In your discussion earlier, you said Reclamation projects don't repay costs. (Beard: Right.) That's the "fundamental myth" of Reclamation, I think is the way you put it. (Beard: Sure.) Would you expand on that a little bit?

Beard: Sure. Our program is premised on a faulty assumption. The fundamental premise of the Reclamation program has always been that these projects repay their costs. I mean, that's what you start out with in 1902. You remember in 1902 there was going to be a Reclamation fund, and that would pay all those costs, and the project water users would *pay* the costs—and then they found out, oops, we can't do that. So then we made changes in 1924, and then 1939. But the fundamental premise has always been, well, these are investments in America, and they're repaid, so you shouldn't criticize them.

Well, in fact, they *aren't* repaid—that's a myth, that's an absolute charade, which I guess the agency has successfully perpetuated for ninety years, *over* ninety years. Because you take a project—and let's say it's a \$100

million project, eighty percent of it is for irrigation, twenty percent for power—well, to begin with, the costs of the project, the irrigation portion of the project, the \$80 million, are going to be repaid at zero percent interest over forty years by the irrigators. *But*, under the '39 Act authority, only their ability to pay. So on some projects, it's as low as five percent, or ten percent of that number that they actually pay. So let's say it's ten percent. They pay \$8 million at zero percent interest over forty years. Okay?

Now, you got, what, you got \$72 million dollars that's left, that's allocated to irrigation. Well, the power users pay off the first \$20 million of costs of the facilities over forty years, *at interest*, and then they pay off the \$72 million that remains, the power irrigation assistance, at zero percent interest, *after* they've paid off their facilities during the first forty years, so you start in the forty-first year, or the fiftieth year, depending on the project, to pay that \$72 million at zero percent interest. Well, with all due respect, \$72 million fifty years down the road at zero percent interest isn't worth anything. I mean, it's squat—it really is. And the reality is that irrigation projects, there's tremendous subsidies involved.

That's what the whole 1982 Act was about, the Reclamation Reform Act was a huge debate about subsidies. There's substantial subsidy here, is what the Congress said, and we've got to figure out a way to spread the subsidy as widely as possible. That's why you have acreage limitations. That's why you have all the paperwork and the requirements that come with Reclamation Law—acreage limitations, controls on pricing—all of the strings that come with reclamation, originally residency. All of those strings come because you're trying to figure out a way to justify this tremendous subsidy that's involved.

And so in fact, when the money is “repaid”—in quotes—it's so far down the line, and it's usually pennies, or *tenths* of pennies on the dollar. So it is a myth. It's a myth that these . . . . It's not like you take out a loan and then you repay it over some reasonable terms and conditions—twenty years at seven percent interest. Naw! You're paying some of these at 200 years, or you're taking 100 years to repay them at zero percent interest. Well, in the end, it probably costs us more to keep track of the dollars than it is what we get in repayment. It's bizarre. It's the only program I know of in government that works this way—it's the only one.

Storey: Is there a solution to this issue or problem?

### **Reclamation Construction Program Is Complete**

Beard: Oh, I think it's sort of an irrelevant issue now, because there aren't going to be any more projects. I mean, the program is over with. The Reclamation Program as we knew it in the past, is over with. There are no more big dams, there are no more big projects, there aren't going to *be* any more. And the ones that are underway now, we'll complete, and finish, and that's going to

be it. And then what's going to happen is, our system is going to age, and either there'll be . . . . We'll maintain the present infrastructure. And the Federal government's future involvement will probably be in the form of grants, where we'll give some money and then say to some local organization, "Here, you go help." You know, "Here's a grant, and then here's Federal constraints on the grant."

Storey: We have something like, I think, 180 projects, some of which are still being paid out (Beard: Right.) for periods up to a hundred years, maybe! (Beard: Or longer, yeah.) So you don't foresee that repayment would change?

Beard: No. I mean, they'll continue to pay those and we'll continue to keep track of them, but I mean, it doesn't mean anything. It means that there'll be some revenue streams to the government, however small. But you know, the program is over. It has been completed, and all that's happening now is the system is aging and lands are going out of production. I mean, every year land goes out of production. There aren't any new lands coming into production in Reclamation projects. Our system needs to just get smaller and smaller and smaller with every passing year, as most of our projects suburbanize. I mean, you go around and look at our projects, they're all suburbanized—that's what's happening to them. Housing developments are taking place, cities are growing out into these areas, land is going out of production. American agriculture today is going in two directions: hobby farms, or large farming operations. And that's essentially what's happening. I mean, we've always had a system. Our system has really been, and is today, a hobby farm system. There are 140,000 . . . .

END SIDE 1, TAPE 1. APRIL 4, 1995.  
BEGIN SIDE 2, TAPE 1. APRIL 4, 1995.

Beard: There's 138,000 farming operations that received water from Reclamation, and 100,000 of those are forty acres or less. And that category of Reclamation water user, that 100,000 category, which is essentially hobby farms, is the most rapidly-growing sector of our clientele. I mean, essentially, what we've got is a system that is dominated by people who are hobby "farmists." They're people who have hobby farms and they work in town, and receive a majority of their income from town, and they have a little pasture land and have a couple of cows and a horse or something, and do a little farming as a part-time operation. That's the vast majority of Reclamation farms. So there's this myth, one of the great myths that's been perpetuated here is that the program contributes to food and fiber and all that. It *does*, but over time, it's going to decline. It certainly isn't, to the extent . . . . It's a different program than the perception than we have of it.

### **Regulations for Implementation of the Reclamation Reform Act**

Storey: Actually, this leads pretty well into RRA [Reclamation Reform Act], and I wanted to talk about the new regs [regulations] and where you see that going.

Beard: I hope I see it going away! (laughs)

Storey: Uh-huh. I understand you testified recently before Congress on RRA also.

Beard: No. It was on a whole bunch of subjects, but I will get my opportunity—I'll be called on the carpet on this.

*Well*, my perspective on it? I think it's much ado about nothing. I think it's a complete waste of time. From a political perspective, I have tried to avoid Reclamation Reform Act regulations as if it was the plague, because I see it in a political context as this giant tar-baby that if you once get into it, you can't get out of it. The reason that we have these—the regulations themselves cover the Reclamation Reform Act of 1982, and what that really means is the acreage limitations and pricing provisions of Reclamation Law. The law was passed in '82, and in 1986 the previous administration wrote regulations that really gutted the law, in my opinion. They just changed the law through the regulations. The Congress reacted with changes to the law in 1987, and then there was a lawsuit that Reclamation did not do an environmental impact statement on the regulations in '86, and the judge found in the plaintiffs' favor. So he ordered us—this is a California judge—ordered us to do *two* EISes, one on California, because the impacts of these regulations *is* unique to California, it's different in California than everywhere else; and then one on the rest of Reclamation West. When I came in, we put together a settlement of that lawsuit with the Natural Resources Defense Council and agreed to do *one* EIS, and we agreed to *look* at a bunch of things and consider changes in the regulations to do a number of things, but we didn't agree to *do* those. We've come out with our regulations, and our regulations basically say that the '86 law allowed a number of large farming operations in excess of 960 acres to continue to receive subsidized water, and that was not what the Congress intended in 1982, and we would bring that to a halt by changing the definition of the word "lease." We anticipate that what that'll have the effect of doing, is changing the . . . . It will probably mean that about eighty operations, Westwide, almost all of which are in the Fresno area, will no longer receive subsidized water but will have to pay full cost for water. And I really felt when we got into this, and looking at the regulations, that were right back into the whole quagmire of the Reclamation Reform Act—the whole debate that took place in 1978, '79, '80, '81, and '82, was this whole discussion about "How do we limit the subsidy? How is it that we can limit the subsidy?" To me, it's a totally irrelevant discussion in today's world. The biggest problem that we have today in Reclamation is not the size of subsidies, it's the fact that we don't have enough water to meet all the needs that are being imposed upon us.

A fundamental change has taken place in the 1980s and the early 1990s in Reclamation. All these interests that didn't used to have any power now have power and influence—Indian tribes, environmentalists, and environmental values—have the ability to impact the system. Tribes have

come along and said, “Well, you owe us water, and we need to get a piece of the action.” The Endangered Species Act comes along and says, “We’ve got a problem here with endangered species, *you* have to make water available for that. We’ve got to restore the fishery. We’ve got urban interests which have never really been provided the kind of—haven’t really been a major focus to our program, are coming in, saying, “We want more water too.” So everybody’s coming in saying, “We want more water.”

Now, you contrast that with the fact that we’re not building any more new reservoirs. Right? I mean, we’re not adding to the system. So we’ve got more demand for the same amount of water. And *that’s* the big problem that we face in the future: How is it we’re going to provide water to meet all of these expanding needs, and yet still satisfy our traditional customers, with a system that isn’t going to expand? We’re not going to build any more reservoirs, so we’re not going to expand the system. So how do we do that? Well, *that’s* the key question that we have to address. That’s the frustrating thing about where we are today, and the major problem that we have today. For example, in the Pacific Northwest, John Keys, the regional director, is up there running around spending two-thirds of his time trying to figure out how he finds enough water to help restore the endangered salmon, and yet he’s trying to find water but yet still preserve agriculture, provide enough water to meet the needs of agriculture. It’s a frustrating exercise. So along comes this lawsuit, which is really six years after the last time the Congress acted on the issue. In five or six years the courts finally get around to acting and what they do is, they come along and impose this sort of, you know, paperwork exercise on us. So what I try to do in these regulations is ignore the . . . . (tape turned off and on)

The challenge, what I tried to do in these regulations, was to, in a sense, attack this modern-day problem that we have—not go back and rehash the fight of the 1980s. What I’ve done is, I’ve said, “If you’re a qualified recipient under the . . . . *Right now*, if you’re forty acres or less, you don’t even file any reports with us.” And what I’ve said is that I’m willing to raise that limit up to eighty acres, for certain categories of recipients of Reclamation water, *if you’re willing to sign a partnership . . . . I’m willing to raise it to eighty to begin with, and I’ll raise it even further* if your district is willing to come in and sign a partnership agreement with Reclamation. By “partnership agreement,” I mean you and your district will come in, we will sit down and negotiate an agreement that lays out how we can make that district successful.

We will sit down and try to negotiate common issues, a *modern-day* agenda, if you will, of what are the problems that exist today, and how can we work jointly to solve them? Now, maybe we can’t agree on something, but I think it’s the only alternative I have. I’m stuck in this quagmire of having antiquated laws that are really focused on a system that no longer exists, and I have all these problems coming up in the future, and somehow I’ve got to address them. How am I going to do that? Well, the only way I

could figure to do it was to have this partnership agreement, where I would sit down with the district and say, “Okay, you want relief from reporting requirements. Okay, fine. We want instream flows, or we want improved water conservation by your district. Now, we’ll ease the burden on the reporting requirements if you agree to work towards better water conservation.” Try to negotiate some kind of a relationship with these districts that is a modern-day agenda, rather than an agenda of yesterday. And that’s what I think is really important.

And so these regulations, in many respects, what I’m trying to do is comply with the 1982, in one sense, get rid of the worst violators of the 1982 law, and ease the burden on reporting, and then they also include provisions on what’s an acceptable water conservation plan. And so use these regulations as an opportunity to get sort of a modern-day agenda in place. I don’t know whether I’ll be successful—they were published as draft, we’ve got to go towards the final, and who knows what’ll happen. I predict a very contentious response, and not a very positive one, from the water community.

Storey: Do you think the Congress is likely to change the acreage limitations and that sort of thing?

Beard: No, because why would they? I mean, maybe they can, but once you get into it, it’s such a big fight . . . . Water legislation in the Congress, there’s a certain pattern to it, if you look at it. It takes about ten years to do one of these things—I’m serious! (Storey: Uh-huh.) It takes *that* long. You look at how many times we’ve changed: we did it in 1902, then we changed it in 1924, then we changed it in 1939, and then probably didn’t have a big one until the ‘44 Flood Control Act, but then ‘56. It takes *years* to build a coalition in support of something, and to get that coalition mobilized and get something through. As I look at the Congress, I don’t see anybody up there that has the foggiest, the slightest interest in dealing with this issue. And I think because our system is aging . . . . You know, the Reclamation Reform Act of 1982 is now thirteen years old, and we aren’t adding any new units to the system. The last big irrigation project we added—well, I suppose the Dolores Project and the North Loup Project have been added, but not that many have been added in the last few years—and there *aren’t* going to be any more added in the very near future, any that are going to be authorized and under construction. I just don’t think it’s worth it, and I don’t think the Congress is up to it. There’s too many other problems that they want to address.

Storey: It’s now been six months since the reorganization officially went into effect on October first ‘94. Can you talk about how things are going, where they’re going well, where they’re not going well, that sort of thing, for me, please?

### **How the Reorganization Is Going**

Beard: Well, I’m very pleased with the way things are going. I spend most of my

time with the executive leadership of the organization, the regional directors, area managers, program managers. I feel very confident about their commitment to it, to the new organization. I think that they've bought into it, and they agree with it, and they support it—some of them less passionately than others, but then that shouldn't surprise me. I think I would say to you that I'm surprised that we've come as far as we've come—I never thought we'd get this far. Is it the right thing? I think some changes are going to have to take place down the road—some parts just don't work—but I think the major elements *do* work. I think the area manager concept is going to work. I think that the regions ought to be downsized, but they ought to stay in existence. I think that Denver as a reimbursable unit will work, but I think it'll probably take some more shake-downs to do it.

I don't think the Washington Office works yet. I've been very dissatisfied with the way the Washington Office is working, but nobody to blame but myself, so I've got to somehow solve that problem.

I'm actually surprised and very pleased at the progress we've made. I'm not down on it at all.

### Role of the Regions

Storey: What role do you see for the Regions in the new system?

Beard: Well, the Regions were created, originally, they were created to provide a countervailing force, a power center, to fight the power of the Chief Engineer in Denver—that's really why they were created. I think they perform a very important function in a decentralized organization. I mean, they simply are, with these Area managers out there, our field personnel out there, if in theory they're supposed to make all the decisions, if they're supposed to be making a majority of the day-to-day operational decisions, there's always a need to talk to somebody who's a little bit further up the line, has a little bit broader perspective than you, in an organization. It always helps you make decisions, and I think that the regional directors provide a very important function in that regard, a very important role. I think the regions ought to do those functions and activities that are . . . . You know, there's a political function, management function, that they perform. There are certain centralized services that they can provide. But I don't think that they'll ever go back to the way that they were, where they were sort of the dominant decision-making apparatus—one of the more dominant decision-making apparatuses in the organization.

And I've been *very* pleased with the effort that's been made in Denver to try to not reinstitute Denver as the sort of headquarters. I think the folks in Denver have done a great job of stepping back from that role and trying their best to do the role as envisioned in the blueprint that was published.



- Storey: What about the Program Analysis Office?
- Beard: What about it?
- Storey: How does it fit into all of this? You mentioned Washington, the Regions, the Areas, and the Denver Office.
- Beard: Well, the Program Analysis Office is supposed to be a portion of the commissioner's office, and in that sense, it's part of the Washington Office.
- Storey: So when you referred to the Washington Office . . . .
- Beard: Right, I was referring to the Program [Analysis] Office as well.
- Storey: Okay.
- Beard: I mean, in theory, they could either reside in Denver, or they could reside here. We could move them all here -- it wouldn't make any difference. I don't plan to do that, but that's one area that I think has been frustrating, because I don't think that the sense of urgency and timing that I have on problems, here, gets translated out there. And I think it's just one of the problems with distance. For example, I was going to go out and meet with a number of newspaper reporters, and I wanted to have somebody look at all the regulations, Reclamation instructions, that we had abolished, and give me some examples of what was in there, so I could use them in a conversation with the press people. And so I called about three weeks in advance of when I was going to go, and I called and said, "I need to have this done, I need to get it done right away." They said, "Oh, no problem, we'll get it done. We'll have something for you Monday." Monday came, nothing. "Well, we're still working on it." Friday came, "We're still working on it." *Next* Monday, "We're still working on it. We wanted to review it again." *Next* Friday, same thing. (unintelligible) I went out, I didn't have it, I never got it, and I *still* haven't got it, and I'm *still sitting* here waiting for it, actually, to see how long it takes me to get it. This is something that was absolutely critical to me, and the folks out there *work* for me! And yet they still haven't delivered the product to me. Now, if that's the kind of service I get, why do I have those people out there?! I mean, if they're got going to give me what I need in the time period that I need it, why have them at all? which is really a good question. I mean, if I don't need them . . . . But it was very frustrating to me, because to me it was a critical issue. You know, I had a larger strategy here that I was trying to pursue, I was trying to push a Reinventing Government success, but yet I couldn't do that if I didn't have any ammunition. And so I called on my troops to develop the information for me, and they didn't do it. Now, if they had been down the hall, and I'd have stuck my head in every five minutes saying, "Where the hell is my information?!" you know damn well I would have had the information. But because they're 2,000 miles away, I don't get the information. There's probably somebody still out there working on this thing--"The Commissioner wants this!" (laughs) I'm

waiting for it, actually.

Storey: Is this what you were referring to when you said the Washington Office wasn't working the way you wanted it to, or are there other things also?

Beard: Oh, I think there are other things. Just the Washington Office, parts of it are not integrated in the way that they should be, and the relationship between having a staff in Denver and a staff here, and do we have too much?; are we too top-heavy?; do we have too many high-level positions? You know, there's a lot of sort of "shake down" stuff. It's not like it doesn't operate *at all*. But in any organization you can always make an organization more efficient.

The way any element operates really relates back to the way that *I* operate. And I operate in a certain manner, and I have certain needs, and it'll be different with the next Commissioner who comes along. The next Commissioner, he or she may not be satisfied with the organizational structure that we have here, and want to change it. And that's their right—they can go ahead and change it, and they should, get it operating the way *they* want it.

Storey: Could you briefly run through the three major directorates you have, and how you view them functioning in relating to people out in the Area Offices and the Regional Offices, and relating to one another?

Beard: Gee, I'm drawing a blank here.

Storey: Well, I'm talking about the Policy and External Affairs directorate, the PAO [Program Analysis Office] and so on.

Beard: Well, when we reorganized, we basically said the headquarters, the commissioner's office, ought to be composed of three elements. The first would be Operations, which is the senior civil servant, career official, who resides here in Washington and has direct relationship out with the regional directors, area managers, and to whom the budget people and the regional liaison people, as well as the regional directors, all report—so that we'd have an operational official, somebody here who the folks out in the field could communicate directly with—and that's what Austin Burke does.

The second office was to have a Policy Office, headed up by a Schedule "C" position. And that currently is Ed Osann. But the point being that as commissioner I could turn to one person who would be working on policy development issues, and he has working for him a number of people who are called issue managers, but in essence these are people like a special assistant to the commissioner, and their job is to take on two or three issues and follow those for me, and work on them, whatever I need done. Somebody's working on regulations, other people it's internal policy initiatives and so forth.

And then the third is the Program Analysis Office which is headed up by Don Glaser in Denver, and that is all the people that are in the Denver Office, and they are supposed to work for both the Operations and the Policy Office, to work on program analysis kind of stuff—longer-term things. And trying to figure out the relationships and build new relationships, in any organization takes time, and we've been going through a reorganization, and it just takes time to do that.

I'm pretty confident that we've got the right mix of things—I just don't think that we need to go through the unnecessary expense or agony of reorganizing again.

### Water Spreading

Storey: Water spreading has been one of the major issues of late in the agency, and we discussed this last time, just before Thanksgiving. Has anything changed? (Beard: Yeah.) Is it still moving along? What's going on?

Beard: I think it's changed quite a bit. I think that there is increasing recognition on our part that we cannot write one regulation that offers the magic solution to the problem of water spreading. We had originally started out, when we got into this—most of us that are connected with the program have known for years that the water spreading was a problem. The last administration had several, I think two or three, study groups look at this problem to try to get a handle on it.

Every time they looked at it, it was so bad that they just didn't do anything about it. I got into this because the I.G. [Inspector General] did a report, said that it was a widespread practice and millions of dollars were being lost. The Congress held a hearing, I went up and said, "I'll enforce the law." I don't know what they expected me to say any differently. I could have gone up and said, "I *won't* enforce the law." But anyway, "I'll enforce the law," and we started out to try to get the Pacific Northwest Region, where the problem seems to be the most severe, to develop a sort of policy, an approach to resolving the problem, and then we'd adapt that to the rest of Reclamation and get on our merry way. That really wasn't working, and the '94 elections came up and got kind of embroiled in this, and I really felt the best thing to do was to sort of get it off the plate for a while. So we said that we wouldn't do anything until the spring, and then throughout the fall and the spring we tried to get a better handle on the nature of the problem, how big is it, and what we can do to resolve it. And then our goal was to write one regulation to cover all of Reclamation, and then do an APA [Administrative Procedures Act] rule-making that gives everybody sort of an equal opportunity to lay out how to address . . . . Whatever problem they may have with our approach, they'd have an opportunity to address it in the rule-making. I think our conclusion is, after six months of trying to do that, is we can't do it—primarily because there are such vast differences between the individual projects.

Every project is different. Every project has a different authorizing statute, they're all in different states, there's different cultural histories, land patterns—everything is different. And just trying to do one sort of “cookie cutter” approach, “one size fits all,” for all projects, it just can't be done. But I don't think that's as important as the fact that we, in our recent review of this problem, have discovered that our records are abysmal. We have absolutely no idea *who's using water, what lands have been classified*. I mean, it is appalling, the lack of ignorance that we have about our projects. You know, this group went out, and they started to go out to individual projects and say, “Okay, do you have copies of all the contracts?” “Well, we think so.” In some cases we didn't. Do we know when the last time we did land classifications? No, didn't have those. Or if it was done, nobody had it. Do we know what lands are inside the district and which ones are outside the district? Well, not really. It just sort of turned out that in many projects, there was *no* information.

Now, there's an explanation for that—it's not because people were stupid. It's that the primary focus in Reclamation, throughout its history, has always been, “Let's go build a new project!” I mean, you built the project, you got it done, you turned over to somebody as fast as you could, because you had to get on to the next one, because you had to build another project. So there was never any attention paid to what people did with projects, because it wasn't important, because we were an agency whose job it was to go build the next one. So you built one, passed it off to somebody—it's like a hot potato, “Here, take this one,” and then you go on to the next project. And now that we've come to the end, and there *are* no more projects to be built, we suddenly go back and say, “Oh, well, what's been happening here the last fifty years?” and the answer is, “Well, we don't know.” So what we have is a situation where if somebody said to me, “Can you prove that there's water spreading taking place?” my answer is “No, I can't prove it, because we don't know. It may . . . .”

END SIDE 2, TAPE 1. APRIL 4, 1995.  
BEGIN SIDE 1, TAPE 2. APRIL 4, 1995.

This is Tape 2 of an interview by Brit Storey with Daniel Beard on April 4, 1995.

Beard: We have a huge data collection problem on our hands. And *now* the problem for us as an agency is, “How much do you want to invest to find out the answer?” Now remember, earlier in this conversation we talked about this problem that we're having in Reclamation, because we're a smaller organization, we're having to make choices, and our responsibility is to rank issues: What's the most important thing we do? What are the more *unimportant* things? What is it we do in the future? What is it we're *not* going to do in the future? And where does water spreading fall into that? And so we're currently now looking at the problem. Does it make sense for us to go back and to classify all the lands in all the projects where we don't have land classifications? I think my answer is no. What do we care?

Originally we cared because we built a project—Seedskadee Project, I think it was—we built a project, delivered the water to the land, and the land wouldn't grow crops. So we suddenly had an embarrassment on our hands. We had built a water project and it didn't work! So we said, "Oh, well, we'll make sure *that* never happens again. We'll classify the lands to make sure that they're irrigable. And we won't deliver water to Class 6 lands," or something. Well, who cares?

The issue nowadays is water, how much water do you have? Not whether or not we, the Federal government, are going to protect some farmer from making some economic mistake. So we've got a number of questions now facing us. Now that we know [what] the magnitude of water spreading problem is, the biggest problem is, we don't know what the hell is going on out there. We really don't have the information we need to make intelligent decisions. Now, are we going to go get that information? How much is it going to cost us to go develop that information? Well, we're looking at millions of dollars in staff time, and once again, our staff is busy, they're doing other things. So what is it they should be doing? So it's now become a management issue, and I think we've tentatively decided that what we need to do is push this issue back down to the Regions and the Area Offices, and go out and try to work out arrangements with each individual district to resolve the issue. We're also going to take on some things like land classification and make recommendations to Congress that they just eliminate that requirement—doesn't make any sense to me, and I will support that.

Water spreading has been a frustrating issue for over a decade, as far as I'm concerned, because we have indications of what's going on out there, but we really don't have very good records of what's going on. And to get those records would be so expensive, that I'm not sure it's worth it. In the end, if you got all that information, what would you have? Well, (chuckles) would it be of use? Would it be worth the money that you invested to get it? I don't know, that's a difficult issue.

So that's sort of where water spreading is. I think we're now in Round 3, and it's a ten-round bout. This issue just keeps going around and around and around. I think that we'll be able to resolve some of the more contentious ones, but we'll find out.

Storey: A little more clarification maybe on how can we comply with the law without doing all the detail work that you've identified as necessary.

Beard: What do you mean?

Storey: Well, if you've gone to Congress and said, "Yes, indeed, we're going to enforce the law," the way out is to just have Congress change the law? Is that what I'm hearing you say?

- Beard: Yeah, well, that's one way.
- Storey: What if they decide they don't want to change the law?
- Beard: Then we'll have to comply with it. Or we'll do what we always do, which is we *will* comply with that as soon as we develop the information, but it's going to take us ten years to develop the information. We do that all the time. The Congress directs us to do a certain study in a certain timeframe, and we don't do it. That's always happened.
- Storey: It's just because we're not able to?
- Beard: Or we chose not to. Or we think it's a low priority. Let's be honest, that's in reality what happens. That's why the phrase, "There are laws, and then there are laws." There is a certain discretion that comes with this job, and being in an agency.
- Storey: What about this lack of data about our lands and the practices on them? Isn't that also going to cause us problems in attempting to transfer facilities?
- Beard: Absolutely. We went to look, for example, in El Paso, when we were looking to transfer certain lands down there. We suddenly realized, when we got into it, that we didn't have any records that we even owned the land! Now, that makes sense, because it probably was part of the public domain, and BLM said, "Here, yeah, take it," nobody filed the right papers, and that was sort of the end of it. But yeah, it's a real problem. The real estate records are very spotty, and you go from Region to Region, they're different.
- Storey: So that's going to have to be dealt with also.
- Beard: It's going to have to be dealt with.

### **Water Conservation**

- Storey: Let's talk about water conservation for a little while. How are we doing on water conservation? Somebody I was talking to—I've forgotten who—recently, said, "Well, you know water conservation is all very nice, but where's our legal authority? for instance." (chuckles) Where are we going? What's going on?
- Beard: Well, that's a very easy answer, and that is that the 1902 Act says that beneficial use shall be the basis for the use of water from Reclamation projects. I mean, nobody gets water from a Reclamation project to waste it. Now the question comes, What's waste? That's the issue. Well, going back again to what I described to you before, the days of building projects is over, there are no more reservoirs on the books, big reservoirs that are going to be built; none are in the hopper up on Capitol Hill; so the system we have today is essentially the system we'll have in the future; and yet we have more and

more needs.

How are you going to fulfill those needs? More and more demands on the system. And the answer *is*, you've got to make the present system more efficient, and you've got to encourage people to use less water. And that's what water conservation is all about. I'm *very* happy with the progress that we've made in water conservation. I'm very excited about it, frankly. I'm *very proud* of what we've done. I think we started out, when I came here as commissioner, I think people laughed when you brought up the issue of water conservation, as being an integral part of the future supply options in the Federal "arsenal," if you will, to attack problems. I don't think people laugh about that any more. I mean, I think we have used the bully pulpit to pound away on the theme that water conservation is of critical importance. And now we've had water conservation guidelines out for over a year. They're guidelines that say to districts, "This is how you solve the . . . ."

The Reclamation Reform Act of 1982 does contain a provision that requires every recipient of Reclamation water—either ag [agricultural] district or M&I [municipal and industrial] district, every contractor—to have a water conservation plan in place. Now the question is, What's an acceptable plan? Well, what we've done is said, "If you meet the following requirements, then it's an acceptable plan." So we've laid out some provisions that have to be in each plan, and that's the way we've gotten to the water conservation issue. I think we've been successful at it because we have been able to show to districts and to communities that it's in their economic best interest to have an efficient system, one that does not waste water. And we have used, I think effectively, public opinion and debate and dialogue. We've talked about water conservation, and it's become part of the lexicon of people interested in water issues, and it's worked well. I'm very proud.

Actually, I think, you know, now that you go through all these problems: water spreading, water conservation, RRA, facilities transfer . . . . You look at all these problems that are out there in Reclamation today, and I think one of the things I'm most proud of in terms of *my* tenure as commissioner, has been that I have managed to . . . . Any one of these problems could have sunk me politically, and yet we've been, I think, effective in the way that we've managed these issues, and effective enough that we've managed to take on all these big issues. I mean, they *are* big issues, and managed them in a way where we have avoided catastrophe, being embroiled in a Westwide debate where we were pointed out as, we were identified as the "problem children," and we were the source of problems. So I think politically I've been very happy with the way we've been able to avoid getting wrapped up in this whole "War on the West" syndrome, and become a front in the War on the West. And there certainly has been ample opportunity to have that happen to us.

But anyway, I think water conservation is going well. I think that we've provided a lot of money to people, we have a very successful program

underway in Southern California, we have the requests for money up on The Hill to provide assistance to irrigation districts and water districts to prepare their water conservation plans. We've worked with the Western States Water Council. So I really think that it's been *very* effective, and I'm very pleased with it.

- Storey: Do we have a way of dealing with some of the issues that affect water conservation because of the way Western water law is written? Things like the fact that if the senior user saves water, then it just goes to a junior user, and that sort of thing?
- Beard: Well, I think that like with any difficult public policy issue, you can think of a million reasons why you shouldn't address it, and I think that extends to water conservation. I mean, there are *lots* of complex problems connected with water conservation—that is one of them. Another one is where you have states that have over allocated the water supply, and you have a farmer wasting water, but their return flow from that farmer's field is the source of water for somebody else downstream. I mean, they've crafted, in some states, and in some basins, intentionally crafted inefficient systems, where certain water users get more water than they need, and they waste water, but that's the water supply for somebody else. Well, essentially all that is, is just over allocating the system. Yeah, there are lots of complexities with the issue. But I think developing a relationship with the Western states, and ourselves, and the local districts, to try to solve these problems, we can overcome most of those issues. But that's one of the major problems.
- Storey: Have we had any particular successes with water conservation? I don't recall you mentioning anything that's actually been implemented yet.
- Beard: Oh, no, I think, gee, you look at what happened to California in the drought, as a result of activity undertaken in the last few years in drought conditions. I mean, the Glenn-Colusa Irrigation District, for example, set out to have as their own objective, *no* return flow. I mean, they didn't want to waste *any* water. Go to the Westlands Water District, to San Luis Unit, everything's underground, everything's monitors, underground drip systems—there's *no* return flow. I mean, there's no tailwater. You have individual districts that have done *tremendous* jobs, communities that have done tremendous jobs—parts of Los Angeles, for example; Denver, Las Vegas, and other places—where water conservation has become the byword. Yeah, there have been innumerable success stories.

And one of the more interesting ones, that *I* think has been the issue of international activities, where water conservation is becoming increasingly . . . . Water conservation is one of the few tools that a manager has at their immediate disposal to make immediate impact on the system. You go to build a reservoir, it takes you ten years, twenty years, to have an impact on the system. But you can initiate a water conservation program that'll start saving water tomorrow, and begin to pay for itself.



I really think that as a general matter, we in the water business are right where the electric utility industry was twenty years ago. In the early 1970s, up until the '73 oil embargo, the way you solved an electric supply problem was, you went out and built a central power generating station, or you built a hydroelectric plant. That's how you met future needs—you built supply. In 1995, you go to any major utility in this country, and you ask them how they're going to meet future needs, they say, "Well, obviously, through efficiency improvements, and conservation, and cogeneration." Nobody—*nobody*—is building a large central station, anywhere. And that's where the electric utility industry in twenty years has been completely revolutionized.

And the water business is going to revolutionize in the next twenty years—next thirty years. We have built a system, we've built it all on a theory that the way you supply water is, you build a reservoir—right? Well, we can't do that anymore, and we are going to find ways to deliver water without constructing reservoirs. There are many, many things that we can do. Now, there are parallels, these are certainly different industries, and the parallels aren't perfect, but I think it's a fact of life. Just one example: I went to China in May of 1993, and I have subsequently made an agreement with the Chinese to hold a water conservation symposium on May 8-9, 1995, in Beijing, China, and I'm taking twenty-five people over to China. We'll hold this water conservation symposium in Beijing, China, and then we'll spend four days traveling around Northern China, looking at things, looking at agricultural and urban water conservation issues. And the Chinese, it was very interesting when I talked to them—their problem is that their economy is just taking off like a rocket, and yet they can't build reservoirs fast enough to supply water. They *have* to, and they need that infrastructure in place, if you're going to have a First World economy. And they have been working—they see water conservation as one of the ways in which they can immediately impact the system. So I really think that water conservation is going to be one of the major tools that water officials will use in the future. I think it's been pooh-poohed by many in the water business for many years, but I don't think it will be in the future.

Storey: Now of course we've been talking about Reclamation's system. Do you see any major additions to the water system outside Reclamation, coming over the horizon?

Beard: What do you mean?

Storey: Well, we have all these environmental laws now. We have the 404 Permits, you know, the list goes on and on and on. Do you see private or state or other types of development of major water projects in the future? Or do you think we're pretty much limited to the existing infrastructure and conservation?

Beard: As I look to the future, I do not see the Federal government playing a major

role in the construction of additional water supply systems. And it is *my* opinion that the future construction activities will take place at the local level. The Federal government may *assist* by contributing some funds, but other than that, I don't see the Federal government being involved. The Corps of Engineers is getting out of the construction business, just like we are. I mean, they're turning to local units of government and telling the locals to design and construct it, and they'll contribute some of the funds. And we're doing the same thing: we're doing lots of pass-through funding for rural water supply systems in South Dakota, for wastewater reclamation and reuse projects—we're just a conduit and we give them money. And I see that being the trend of the future, and I see us getting out of that business. I don't know about private sector construction—I hadn't really thought about that, but I suppose it's possible. I think that the local governments are going to take an increasing share of the responsibility and the burden.

Storey: You mentioned the water conservation workshop in China, which is an exciting, I would think, international activity. (Beard: Sure.) Is there anything else going on, on the international scene for Reclamation?

Beard: Well, I think international activities has always been an important component of our program: it's always amounted to about one percent of our total activity, in terms of budget or manpower, or personpower. But Reclamation has always been a world leader, and we've been the leader in construction techniques and engineering services and other responsibilities. And you go to overseas, and you talk to people, Reclamation is the ideal, that almost every water agency in any foreign country tries to achieve. In *my* opinion, we're the best in the world at what we do, and others are trying to emulate us, because frankly we *are* . . . . I don't think there are any as capable as we are.

Frankly, I have probably spent more time in international activities than I should have, but I have really felt an obligation to go out and to speak out on international activities: And I've gone to Bulgaria, South Africa, Japan, China, Mexico, and I'm going to Australia in June, and I've been asked to go speak to the Stockholm Water Conference in August. And my message, every time I go out, is that Reclamation is changing, and the *reason* why we're changing is that the world itself is changing. It's all the things we've talked about. I mean, we're out of the construction business, we've recognized the impacts that our projects have had historically, and that we're out, we're trying to correct those impacts, and then we're also trying to meet future needs without building new reservoirs.

Now, that's a message which many of the people that used to work for this organization don't like. I [went] to the International Congress on Large Dams, I stood up there and said, "The dam-building era is over in the United States," and it is! And they don't like that. And I also point out that we built all these large dams, and frankly, they've had a lot of unintended, unanticipated, negative impacts. They've had some positive impacts, certainly, but they've also had some negative impacts. And I don't hesitate

to speak out on those issues. And hell, I didn't take this job to be noncontroversial! I took this job because I wanted to change things.

I took the job because I wanted to have an impact in changing Western water policy, and I think I have. That's my intent—that's *always* been my intent. And I have gone to speak most recently in Japan. I went and I gave a speech there, and then I wrote an op-ed piece for the Japanese newspaper. I'm contributing to a book, and a number of other things. And what I said in that speech I think is really important: and that is that the changes that are taking place in the United States should not be viewed in isolation, they should not be viewed as changes that are *only* taking place in the United States because of our unique history or economy. These are precursor to changes that are going to take place all across the world. In the Mekong River, for example, I met with a bunch of anti-dam activists who were meeting in Tokyo, and there were representatives from Vietnam, Laos, Cambodia, Thailand, and they came in and said the Asian Development Bank and the World Bank and Ex-Am [phonetic spelling] Bank, and all these other people were getting ready to finance a whole bunch of dams on the Mekong River. I said, "Where'd the plan come from?" "Oh, it's a 1955 Bureau of Reclamation plan." And what are we doing?! We're going to build dams to try to . . . . It's premised on the logic of the 1930s, that somehow the way toward prosperity is to turn rivers into stair-step lakes—you just have a bunch of stair-steps and lakes to generate electric power and that's the way to reach development in the future of your country, or economic development. That's the driving force behind all the logic in the planning—that's what water resources management is—it's controlling rivers and developing structures all the way up and down the river so that you harness nature and control it.

Well, I just don't think that's relevant in the 1990s. First of all, I don't think there's the *money* available to do that. Second, of all, I think the environmental impacts associated with that are much more severe than people anticipate. I think third is that certainly the history of this kind of stuff has demonstrated repeatedly that you don't get the kind of economic returns that you anticipate. Fourth, the costs are always much higher than people anticipate. It just goes on and on. That's a long list. But what's your objective? Your objective is to try to achieve development—there are other ways that you can do that.

But I've gone out—it's just been interesting to me—I've gone out and I've said, "The dam-building era is over, all these changes are taking place in the United States. This is *why* they're taking place, and this is what we've learned." I have never . . . . Almost every foreign country, except for the Dutch—some of the developed countries understand it. But mostly undeveloped countries or Third World economies don't get it. They look at me and say—the Japanese particularly—"Why are you criticizing your own agency?!" I said, "I'm not criticizing *my* agency—I'm proud of my agency, and we've worked hard. We did *exactly* what we were told to do." But you know, in today's world, it doesn't make any sense. The history is, in most

other countries is, that you *never* criticize your own agency. And you never advocate change in your own organization—you just do what you always did last year. In Japan, that’s been the response. And I’m out there with this message that not only *should* we change, we *are* going to change, and we’re going to do it willingly—nobody’s got to point a gun at our head. It just kind of goes over people’s heads, they can’t figure that one out. Why would this person be out there?

But the other interesting thing to me is the response from many of the people in the United States that have been connected with Reclamation. They just think it’s absolute heresy, that I would go overseas and say that some of the things we did in the past weren’t good. Well, that’s heresy, it’s not part of the doctrine! There was a fellow who was the head of the ICOLD, International Congress on Large Dams—he’s from Austria—and I showed him a copy of my remarks and he said, “You know, I really thought a lot about what you said. I often wondered what would happen in a country if you came to the end.” In other words, all of the sites for the location of dams had been taken. And he said, “In many respects that’s what’s happened in the United States is you’ve come to the end, haven’t you? You’ve come to the end, there are no more sites—either physically no more sites, or politically no more sites—no more politically acceptable sites.” And I said, “Yeah, you’re right, in many respects we have come to the end.” Now what?! And in some respects, that’s where we find ourselves today. Now what? How do you manage the system you have, how do you meet future needs?

Storey: You have tangentially mentioned Endangered Species Act issues, in terms of the anadromous fish, I believe. Are there any others that sort of stick out for you right now? (Beard: Every one.) And what are they?

Beard: Everywhere. I mean, if there’s an endangered species in fresh water in the Western United States, it’s my problem, our problem. I think without a doubt, during my tenure at Reclamation, the most frustrating thing I’ve had to deal with is the Endangered Species Act. I think it’s a program that has been seriously flawed, I think it’s poorly managed, poorly operated, and I think that it has serious flaws in its implementation. I think the secretary and the people that are now sort of in control of the program have done a good job of making some changes, but I think they were far too late in doing so. And I think additional changes in other areas ought to be made. I think that those are my *personal* views. Those certainly aren’t my views as an administration official, but I just think we have really . . . . (sigh) There are many fundamental problems with the Act itself, and its implementation, and those haven’t been corrected. And what we’ve done is come to agencies like Reclamation, and put . . . .

END SIDE 1, TAPE 2. APRIL 4, 1995.  
BEGIN SIDE 2, TAPE 2. APRIL 4, 1995.

Beard: . . . put a greater share of the burden for solving the problem on those that

are served by our projects than by other projects. By that I mean, for example, that in the Pacific Northwest on salmon issues, that the water in Federal reservoirs is the first water that is released for salmon recovery. And there's sort of a disproportionate response on the part of *our* customers as opposed to the customers of *other* water projects.

I just think there have been very serious problems with the Endangered Species Act, and I just don't see any . . . . I saw a sort of delayed response in responding to those problems in this administration, and I'm very disappointed with it, frankly. Now, I'm *convinced*, frankly, that we'll probably lose the Endangered Species Act in the Congress, as a result of the approach that they've taken. Now, some of it is the Congress' fault. The Congress told us, for example, in the very beginning, "Save every plant and every animal—they're all equal—good luck." And they stretched them all out and said, "They're all equal priority, and save them all. Don't let any of them disappear." And that's it! That's the direction you're given. Well, obviously, that's a prescription for disaster—you can't achieve that objective. But the Congress never said, "Save these, but not these." But I think we've had significant problems in implementation and I really feel sad about it.

Storey: What other major problems are there, besides the ones we've discussed today that you see facing Reclamation?

Beard: Well, there's sort of no end to the number of problems. I think we've covered most of them. I think the biggest problem we have internally is the change in the nature of Federal employment today. People sought out and tried to get Federal employment, looking for security, and there was a sense that "this is *my* job and I'll do it." And all of that has changed. I mean, the whole *premise* of all this has now changed. People don't have "jobs" anymore—they have *skills* which are then used in different capacities, and we have a system that's kind of . . . . It's a jury-rigged system: you're hired to do a job and there's a position description and that's all you're supposed to do. That's kind of a silly system. I think the changes that are just sort of taking place in the world in general, and the way they impact us as Federal employees is a terribly important issue which we need to really address.

I don't know, I'm very positive about the future. Most of the traditional people that have been employed by this agency sort of view me as some kind of nut—I talk negatively about the past, and I *do!* But there have also been some good things in the past, and I don't mind pointing them out. But I've very proud to work for this organization, I've been very proud of my association with Reclamation employees. I think they're good employees, I think there're some great things about this agency that I'm really thrilled, and they've made it really nice to work in. I think the most important has been this tradition that we've had of being problem-solvers. If you talk to people in other Federal agencies, they articulate problems and they push paper, but they never get around to *solving* the problems. In Reclamation, we articulate problems, and then we go solve them. Now, that's been our problem!

(chuckles) That's gotten us into trouble, but . . . . That's the biggest advantage of our organization.

So I've been very bully on Reclamation—I think it's a great organization, and it's one I've been very proud to be associated with. It's one with, I think, an exciting future, a *great* future. I think the changes we've made in the last two years, as difficult as they have been, get us in a position where we're going to be able to deal with the future much more effectively than other Federal agencies. You take an agency like BLM or the Fish and Wildlife Service, they haven't made any changes—substantial, fundamental changes in their outlook and organization and approach and everything else. And I think they'll suffer from it in the future. I think they're going to have one *hell* of a time. Because the Congress is up there now, you know, cutting their budgets.

We made a conscious decision, and I made this with the senior managers two years ago. I said, "We've got a choice here. We can either sit back and let somebody else do it to us, or we can do it ourselves." And everybody said, "Let's do it ourselves. Let's change our organization ourselves." And now, nobody would touch us—not in this Department, not in this administration, not even in the Congress. Everybody admits, "You guys have downsized, you guys have cut your budget, you've refocused, you've reorganized, you're more efficient, you're a more relevant agency than you were two years ago, and we're not going to get in and muck around in that." Now, they may argue about *issues*, but we've sort of built ourselves a decade of good will here, by the gut-wrenching changes that we went through. (Unintelligible.) And I think we have a very solid reputation as being a much different agency.

I heard a consulting engineer, CEO [chief executive officer] for one of the largest consulting engineering firms, make a remark. I was about ready to speak, and I got up and somebody said, "Now who's this guy? Or what's happened in his organization?" And this guy for this large consulting engineering firm said, "Reclamation has turned on a dime. In the last two years they've changed completely. They're a completely different organization." And that was really quite a compliment—I mean, to come from somebody who is familiar with us, knows who we are.

So actually, I'm very positive. I'm excited about the future. I look forward to it.

Storey: I'd like to ask you now if you're willing for these tapes and interviews and resulting transcripts to be used for research. We've changed the condition a little bit: One month after you leave the Bureau of Reclamation and/or the Department of the Interior.

Beard: Right.

Storey: Okay. Thank you very much.

Beard: Whichever comes later, right?

Storey: Right, whichever comes later. Thank you.

END SIDE 2, TAPE 2. APRIL 4, 1995.

BEGIN SIDE 1, TAPE 1. JULY 5, 1995

This is Brit Allan Storey, Senior Historian of the Bureau of Reclamation, interviewing Daniel P. Beard, Commissioner of the Bureau of Reclamation, in his offices in the Main Interior Building, [in Washington, D.C.], on July 5, 1995, at about ten-thirty in the morning. This is Tape 1.

Storey: I wanted to ask about the Projects and the way they're evolving and all of that—Central Valley, for instance, and the Central Valley Improvement Act. Could you give me your perspective on those kinds of issues?

### **Reclamation Is Made up of Several Diverse Systems**

Beard: Well, I think it's very important for people to understand that the Reclamation Project system that we have is a very diverse system. People tend to think of it as one system, but it really isn't. What it is, it's really probably four systems. And I think one of the great troubles or frustrations that I've experienced over my association with the Reclamation Program, which now goes back twenty years, is this unending attempt to try to think of Reclamation as one system, when in fact it really isn't.

Let me give you an example: The Central Valley Project [CVP] in and of itself is one system. It's one land use pattern, it's the largest Project in Reclamation, it is sophisticated, you're dealing with an agriculture that has, you know, several growing seasons. For the most part, it has very large urban areas that are dependent upon the system, and it has both rich and poor farming operations. But that's *one* system. And other than its relationship to Southern California, it's, for the most part, independent. And yet it's been the source of the greatest controversy and trouble throughout the history of the Reclamation Program, due primarily to the land use patterns and the history of land ownership in the area. We've had very rich, wealthy people who have benefitted substantially from the Program, and they've been unwilling to play by the laws and rules and regulations, and so they've been a constant source of trouble—and the Congress—and through our regulations we've tried to correct those problems, and in so doing affect the rest of Reclamation.

The other parts of Reclamation, as I look at it, is that I really put into sort of one category, the two other large project systems that we have: the Central Utah Project and the Central Arizona Project, as kind of off by themselves. They're sort of very separate kind of entities. They're large expensive systems that have been under construction, and they provide

primarily M&I [municipal and industrial] water. They're *very* different.

I would sort of set off as another part of Reclamation our whole municipal and industrial water supply systems. All the various projects that we supply water for—which is substantial, most people sort of think about agriculture as being our major contribution, but, you know, we're supplying water to 40 million people—that's a hell of a lot of people. And it's a *very* large system—you know, bigger than most countries. So you're talking about a fairly large system, and yet we've never dealt with that as a system unto itself.

The *rest* of Reclamation I would put into sort of one big category, and these are what I would call very old, antiquated, small, rural systems that provide water to a very small number of *struggling* agricultural enterprises that for the most part are not economically successful. Most of the people who receive water from Reclamation fall into this last category. I mean, it's almost all of the Great Plains, a large part of the Pacific Northwest, and the other parts of the Upper Colorado and bits and pieces of the Lower Colorado River System. But it's a very unique system. They're farms which [have] very small land ownership patterns, they're receiving a small amount of water, they are for the most part, the vast majority are part-time farmers who receive a large percentage of their income by working in town somewhere, and they are in essence hobby farmers, and these are really either hobby farming operations, or systems in which we deliver water to very low income farmers who are sort of struggling to make ends meet. For the most part, they are the ideal on which our system, the whole program, was established.

I'll never forget, I went to Newell, South Dakota, to look at the Belle Fourche Project, and by any stretch of the imagination, this was the ideal, this was what Reclamation was created to accomplish. We delivered water to small farming operations, to people struggling away, and they provide, basically it's low cost water to grow hay and other forage crops as part of their operation. And it's been successful and going since about 1917. And you go out there and look at it and say, "Okay, this is what we're in business to do? This was the ideal of what we were trying to accomplish." And it's pretty sobering, because what you see is people who are for the most part getting a majority of their income from cities, or towns, where they go into town, they work a little bit, usually two- or three-income families who are working and this is just sort of a part-time operation, and frankly, you begin to question sort of that ideal, the sort of Jeffersonian ideal that we were trying to accomplish.

So I've always looked at Reclamation as sort of four systems. And unfortunately, most of our public policy issues, most of our public policies as we try to approach Reclamation, deal with it as *one* system. And of course, it doesn't work. You can't deal with it as one system, because it really isn't one system. And when you see the dramatic differences in the level of sophistication, the funding that's available, it is almost breathtaking. You know, you go to Newell, South Dakota, you're dealing with people that are viewing \$20,000-\$25,000 a year as a *good* year. These are folks that are really



struggling. They are on the edge, and they are scrapping to make it through life.

And then you go to a town like Las Vegas, where we are a very instrumental part of the economic base of the city of Las Vegas, or in Southern Nevada. Or you go to Los Angeles, or you go to the East Bay or go to San Jose. I mean, we are critical to the future of those cities, those communities, and those local economies. And yet to somehow talk about Reclamation as one system, it really isn't one system, it's a number of systems. And how you can sort of equate the kind of services and the *way* we deliver services to the Silicon Valley of San Jose, and Newell, South Dakota, is just . . . . It just doesn't equate. So it's always been fascinating to me to look at Reclamation and begin to peel back the layers of the onion and really try to better understand the system and what it is you're trying to do. So that got off the track of the question, which was really about the Central Valley Project. What is it in regard to the Central Valley Project?

Storey: No, you're doing exactly what we wanted to talk about, I think.

### **Central Valley Project**

Beard: Well, the Central Valley Project is, I think, the most interesting, fascinating, frustrating, place in Reclamation. First of all, it is interesting because it's a closed system, and it's a closed *intrastate* system, for the most part. It is fascinating because it's the biggest Project, it's where the politics are the most severe, tough. It's where there's the most money. It's where the biggest problems usually are. And it drives all the rest of Reclamation. Everything we do, everything we ever *have* done, as an organization, has been driven by the Central Valley Project, and all the problems that are out there. My association with the Central Valley Project goes back—well, my entire time in Reclamation, when I started out as a deputy assistant secretary in Interior, I was intimately involved in the Central Valley Project and all the problems that were there. And it's continued up until the day I walk out the door, I'll be involved, because in another couple of weeks I have a hearing on legislation to deal with the Central Valley Project. And that legislation is to deal with the Central Valley Project Improvement Act, which is something that I was very familiar with, and worked on when I was on Capitol Hill.

Storey: Um humm, tell me about the issues.

Beard: Issues in what regard?

Storey: In the Central Valley Project. What are the primary issues that you see?

Beard: Well, you know, the primary issue, the Central Valley Project Improvement Act of 1992 was really passed—it started out innocently enough, started out with an idea in the shower, actually, which was that the Central Valley Project is unique among Projects in Reclamation in that the impacts of the Project on

fish and wildlife values has never been mitigated, had never been mitigated. Every other Project in Reclamation had to comply with the Fish and Wildlife Coordination Act, and all these other pieces of legislation that essentially required a project to mitigate the impacts on fish and wildlife resources. *But* not in the Central Valley Project, for a lot of reasons, but I happen to have always felt that it was through politics more than anything else. CVP, you always talk about what projects in Reclamation have to do with, and you always have to put an asterisk and say, “except for the CVP,” because it’s always different.

So that’s sort of how it started out, with this sort of well-known fact that the CVP hadn’t mitigated the impacts on fish and wildlife values. So we sat down—actually it was Charlene Dougherty who is currently with Reclamation, but she was a staff person for the House Interior Committee at the time, Subcommittee on Water and Power, and we worked for almost a year, she and I together, trying to write legislation, write a bill, which would lay out an agenda for mitigating these impacts of the Project on fish and wildlife resources.

The Bill was finally introduced by Congressman George Miller of California, I think in about 1988 or ‘89—it would have been ‘88, I think. There actually were some hearings on the Bill, it didn’t really go anywhere, and reintroduced in 1989 by Mr. Miller, and it was actively considered, and began to move its way through the process with hearings on the House side. At about the same time, Senator Bill Bradley of New Jersey became the chairman of the Subcommittee on Water and Power in the Senate, and became very interested in the issue. And he ultimately introduced his own Bill which was a variation of the same theme, but he became very interested in it. I never really quite understood why. It just was sort of . . . . I don’t know, I never really quite understood. But he was very interested, and ultimately the legislation got hooked onto and became part of the 1992 Water Bill, the Reclamation Projects Authorization and Adjustments Act. And the reason it became hooked was, the only way to get the bill through, because it did become controversial in California, was to make it part of an omnibus bill where you’re giving a lot to, you know, senators and congressmen in other states and they in turn were willing to let a bill that had reform elements in it, go through the system.

So that’s essentially what happened, that’s sort of how it got there, and the various pieces. The primary piece of the legislation was to make sure that 800,000 acre-feet of the Project were *reallocated*, in essence, over to fish and wildlife resources, that we provided funding and concrete and hardware to make sure that the activities were undertaken to improve fish and wildlife resources, and then efforts were made to try to initiate water marketing, water transfers, to reallocate water, try to see if water could be moved from agriculture over to fish and wildlife. It was a long, sort of hard, complex, frustrating legislative battle, but ultimately it was successful.

And when I came down here, we really began the task of implementing

the Bill. And that has really fallen on the staff out in Sacramento, and I think they've done a remarkable job. They've worked very hard on nearly a hundred separate items, all going at once—contract negotiations, EISes [environmental impact statements], you know, it's the whole works. And I think they've done a remarkable job. I think the implementation has gone along fairly smoothly, given the level, the magnitude of the activities that are called for in the legislation.

But right now there's an attempt by the agricultural community, who felt that they were the losers in 1992 to sort of "get back at," you know, sort of time for legislative one-upmanship, so they've introduced legislation to "improve" the Improvement Act, which really amounts to, they're sort of, you know, provisions which will gut the legislation. Who knows whether they'll be successful? I don't think that they will, but they're going to give it their best shot over the next—this is July of 1995, they're going to give it their best shot over the next year-and-a-half, [we'll] see how well they come out.

Storey: And which features are they trying to alter? The environmental improvement features?

Beard: Well, anything that they feel was sort of an infringement upon their freedom to do whatever they wanted. You know, they want to make sure, ease the burden . . . . Well, primarily it's a question of water, and they want to make sure that the water goes first to agriculture and *then* to fish and wildlife. Right now 800,000 acre-feet was directed to be reallocated by the Bill. They want to get rid of that, and they want to get rid of a host of other requirements that are designed to correct deficiencies in the Bill. I mean, it's sort of a wish list at the present time, of everything that people in the agricultural community want to have. Every possible effort that they can make to repeal any provision that they feel is onerous.

Storey: But in the Central Valley, we're talking what, maybe 10,000-15,000 agricultural water users?

Beard: That's probably a good guess.

Storey: It's purely a guess on my part. Where are they getting the influence to be able to do this?

Beard: Well, they've *always* been influential. I mean, the water politics in California have sort of broken into three camps. I mean, there's agriculture, there are the urban interests, and then there are the environmentalists and reformers. You know, those three camps have been warring with one another for years. And that's sort of the nature of the debate that you always have. If two groups can gang up on the other one, then they'll be successful. And you know, we've just sort of gone through a succession of this. I mean, essentially, the problem really boils down to a very simple issue: it's sort of the "haves" and the "have nots." Water is critical to the economic future of agriculture in the Central

Valley. The Central Valley is a *very* productive region, lots of sunshine, good soils, close to markets—it's all those things. But water is critical. And the agricultural community has always fought tooth and nail to find ways to make sure that they have the water.

Now, what they originally started out doing was, of course, using the river. They depleted the river, then they started out pumping ground water. And once they depleted the ground water supplies, or brought it down to the point where it was uneconomic, they began to look for somebody else to come along and provide storage reservoirs—particularly the agriculture south of the Delta.

Agriculture north of the Delta is a completely different type of agriculture. They have riparian rights, long-standing water rights in the river, there was generally enough water and ground water and they had a smaller land ownership pattern. South of the Delta, particularly on the west side of the San Joaquin Valley, you had very large land ownerships, overseen by some very wealthy, influential individuals. And *they* have been the driving force. They've made a lot of money, and it really comes down to an argument about money. I guess greed is a better way to put it. But it really comes down to a situation where they've worked very hard over the years to make sure that they control the system. And they control the system by making sure that agriculture, and particularly agriculture on the west side of the San Joaquin Valley, continues to be involved in and make the major decisions about water issues in California. And they've been very successful over the years at that.

And it isn't just a question of partisanship. I mean, in 1980 President Carter had a primary challenge from Ted Kennedy, and Rosalynn Carter went to Fresno to a fund raiser, and lo and behold, a few days later, Secretary [Cecil] Andrus at the time was told to completely change his views on an issue that he had held out very strongly about. Sort of a whole bunch of people went to a fund raiser in Fresno, and lo and behold, look what happens. But that's been fairly typical. Money is the mother's milk of politics and tends to influence politics, and certainly it has influence in California.

### **Reclamation Staff Generally Stand up to Pressure While Politicians Do Not**

The sad part for Reclamation is that I think as a whole, Reclamation employees have done pretty well standing up to these guys. Most of the politicians have not. One of the sort of lessons I've learned is that it really isn't the bureaucrats, the sort of, you know, career civil servant who is the problem. They usually stand up to these guys. But the people who don't stand up to them are the politicians, either elected or unelected, or appointed. You know, a little bit of money, a little bit of pressure applied in the right places, and lo and behold, look what happens. And usually the decisions of career officials get overturned. And that's what's happened historically.

Storey: Are there any examples of that kind of activity while you've been

commissioner that you'd care to talk about?

### Relationship to George Miller

Beard: No, we've been pretty lucky. You know, during my tenure as commissioner, I've been very lucky. I made a conscious decision when I came, and that was that I would try to temper and avoid being involved in California water issues to the extent that I could, primarily because I worked for Congressman [George] Miller for eight years, and Congressman Miller was very opinionated, very strong, and he was involved with one side of the California water issue. And I was closely associated with him in that regard.

So the moment I walked into the door out there, everybody looks at me, and they don't see me, they see George Miller. And for a lot of people in the agricultural community, that's like somebody running their fingernails down a chalkboard. I mean, it just sends shivers up and down their spine. And the venom just sort of begins to well up. So when I walk into the room, if there's a whole bunch of California water people in a room, right off the bat I'm immediately categorized and despised by a large segment of people in the room. And that's just a fact of life. I know that, I've got to live with it.

It doesn't bother me particularly. I'm opinionated, I have my own opinions about things, but *I'm not George Miller* and never have been, but you can't convince people otherwise. So I really felt when I came here that the most important thing I could do for this administration was to stay away from California water politics, and I was more than happy to defer to Assistant Secretary Betsy Rieke, to allow her to become involved in the issues and take a leadership role in that, and allow Roger Patterson, the Regional director, to take the responsibility for implementing legislation. I was involved at various points, in issues, but I tried my best to stay away from it during my tenure, because I was so categorized by people, that it just wasn't going to do much good. So I generally stayed away, and I think upon reflection, I think that was the right decision. I think it was the right decision to stay away.

### Central Arizona Project

Storey: What about Central Arizona Project? (Beard: What about it?) How's that coming along? My impression is that we have a huge Project, people who feel they cannot afford the water, who declare bankruptcy, yet they claim the water because it's part of the bankruptcy proceedings and so on. Plus, my understanding is they're fairly complicated negotiations going on, or there have been.

Beard: There was a bumper sticker during the Vietnam war that said, "What if they had a war and nobody came?" And I've always remembered that bumper sticker because I've always been fascinated by Reclamation Projects. What if they built a Reclamation Project and nobody wanted the water? Well, guess what, we've now found out that's the case.

If you really stand back from it and think about what has been going on here for the last half-century, since statehood, Arizona has maintained that it needed water to fuel its future development. And they lobbied from 1912 until 1968 for the authorization for the Central Arizona Project. This was the dream, this was the project that would provide them the water that they needed for future development. Now if you *really* stand back there and say, “What are we doing here?” Well, we’re building a canal that will deliver water for municipal and industrial water supplies to several million people in Central Arizona. We’re delivering the water, what, 700 miles. Doesn’t make a lot of sense, but nevertheless, we did it. And it’s been part of the water politics, the fabric of water politics in the West for, hell, a half-century or more. And it was sort of a typical, monumental, *grand* Soviet-style, “New Deal era,” plan. We’ll build a big concrete ditch all the way from the Colorado River to Tucson. And that’s what we’ve done.

Now, along the way, a lot of people sort of raised their hand and said, “Pardon me, but this is going to cost a lot of money, and take a long time to do,” to which most of the boosters in the hydraulic fraternity sort of said, “Squash that bug. I mean, you know, that’s nonsense, we know best, and squash that bug.” I mean, there was an economist—who fortunately lived to see the day—who was at the University of Arizona or Arizona State, I’ve forgotten which—who raised this very problem in the mid-1970s when President Carter raised questions about Central Arizona Project. And the hydraulic fraternity in Arizona got this guy fired. I mean, he’s an economist who was saying, “Listen, the numbers don’t pencil out, this stuff is going to be expensive.” And the contracts that they had signed were “take or pay” contracts. So if they wanted their water, they had to pay for it whether they took it or not. And that the water was going to be horrendously expensive, and this Project would be expensive to operate. Well, that’s what he said, and guess what, they got him fired.<sup>12</sup>

But lo and behold, what happened in the end was that it took us so long to build the Project that the original reason why you built the Project is no longer even *valid*. I mean, if you go back and you say, “Why do we need to build this Project?,” if you went back to the 1960s, the primary reason was to use Arizona’s entitlement to the Colorado River, to make sure that you can fuel the economic development of the region and preserve and protect agriculture. Well, it’s not a question of *if* agriculture’s going to go out of business in Arizona, it’s a question of *when*. And you have this massive sort of municipal and industrial water supply system that’s been created. We built this Project, it took far too long to build, it was far too expensive, it’s far too expensive to operate, and what has happened, now, is that the price of the water delivered to farmers, and the agricultural economy went into a tailspin, so farmers can’t afford the water, and as a result, the local district there, the Central Arizona Water Conservancy District, CAWCD, has had to put together

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12. See Edmund Barbour’s Bureau of Reclamation oral history interview for more information on this professor.

kind of a complicated cross-subsidy arrangement, where agriculture . . . .

END SIDE 1, TAPE 1. JULY 5, 1995.

BEGIN SIDE 2, TAPE 1. JULY 5, 1995.

Storey: So agriculture subsidized . . . .

Beard: Agriculture is subsidized by the cities, by urban water users, and this system is in turn subsidized by the Federal government, because it doesn't *work* without Federal subsidies. And, in addition to that, since agriculture doesn't want the water, and the Indians legitimately say, "Hey, where's *our* water? You stole our water from us. Or you allowed our water to be stolen from us." So uses of the Project for Indian purposes has increased significantly, yet they aren't getting this kind of cross-subsidy. So you have this very anomalous situation where we're almost at the end of the construction phase, and the price of the water is far too high, agriculture doesn't want the water, several districts have declared bankruptcy, and most of the others are refusing to take the water because it's too expensive. And they've found that the ground water supplies that they have are sufficient to meet present needs. So you have this absolutely unbelievable situation where we built this large Project and right now nobody wants the water. Now I think in fifty years, maybe it will turn out to be a valuable project, and important assuming that you continue to have uncontrolled growth in Arizona, people continue to move there. But, who knows, that may stop too.

But it's been an absolutely fascinating and frustrating activity throughout *my* tenure, primarily because Secretary Babbitt is from Arizona, the Solicitor, John Leshy is from Arizona, and Betsy Rieke, the assistant secretary, who left a month ago, was from Arizona and had been formerly the Head of the Department of Water Resources with the State of Arizona. So as a result, during *my* tenure at least, I have tended to say, "Listen, if there's a problem in Arizona, this is one that Betsy is much more familiar with than I am." And certainly the moment you start to dabble in it, and somebody doesn't like something, then they immediately pick up the phone and phone the secretary and say, "Gee, Bruce, So-and-So is out here and they're saying such-and-such." It really isn't worth the effort on my part to try to get involved in those. So I've tended to try to shy away from, or stay away from, to the extent that it was possible for me, Central Arizona Project problems, because I knew that Betsy and the secretary were, first of all, more familiar with it. And, second of all, they were going to make the important decisions anyway, so I ought to go over and work on something where I wasn't going to be that involved.

It helped me a great deal with being able to manage this job. I don't think it's helped the people of Arizona one bit, because Arizona water interests have a bad case of . . . their expectations are too high. There are some who say, "Hey, our friend Bruce is the secretary, we've got it knocked. We've got the inside track, our guy is there. Wink, wink. And we've got somebody from Arizona who's the Solicitor, and somebody from Arizona who's the assistant

secretary. Hey, no problem!” And they’re all giving each other high fives and saying, “This is great!” Well, in actual fact, it’s turned out to be sort of an albatross around the secretary’s neck, because as we point out to him, I think quite correctly, he has to be *overly* sensitive and *overly* careful about Arizona, because he doesn’t want to cut sweetheart deals on behalf of water interests in Arizona, and then be criticized, and I think rightly so, for cutting a sweetheart deal. So I think it’s been very hard for the secretary, and frankly very frustrating.

Storey: Are we delivering water through the CAP?

Beard: Yeah, we are, sure. And right now there isn’t a lot of demand for it.

Storey: So not a whole lot of water is being delivered.

Beard: The canal is full, the water’s there, but the problem is that agriculture doesn’t want the water and we’ve started to deliver water in Tucson and ran into some problems with brown water being delivered through their pipes. And you know, that set off sort of a whole other separate group of issues in Tucson.

### Colorado River Appropriation

Storey: For quite a number of years it’s been predicted that once CAP went into use, all of a sudden the Colorado River was going to be overappropriated. Colorado was going to lose water and all that kind of thing. Have you seen any of the results of that up here in the commissioner’s office?

Beard: Yeah. I think that that issue has influenced water politics for the last thirty years. I mean, ever since *Arizona v. California* came out, California has found that it only had so much water from the Colorado—the same with Arizona and Nevada. And California has feverishly tried to find ways in which they can increase their use of [the] Colorado. And Arizona has fought passionately to retain their allotment from the river, but they haven’t ever used it, and it doesn’t appear that within the foreseeable future that they *are* going to use it.

I mean, the Colorado *is* overappropriated. [They] divided the river up, based on information that was not correct. But it really hasn’t turned out to be a problem, because no one’s even come near using all of the water that was apportioned for the river. (Storey: Except California.) California’s been taking, the canals have been full and they’ve been taking as much water as they can, for as long as they can. But Nevada is using almost all of its allocation. But Arizona isn’t *anywhere* near it, and certainly Utah, Colorado, New Mexico, and Wyoming aren’t. So it really isn’t . . . . It’s like a lot of these water issues: there’s a lot of smoke but no fire. There’s this tremendous great controversy that surrounds this fundamental issue. But in actual fact, there isn’t.

When you sort of peel back the layers of the onion, there isn’t much



controversy there. I mean, Colorado has constantly sort of beat the drum about how “We’ve got to build reservoirs to retain the water in Colorado.” The answer is, “For what? What do you need it for?” And the answer usually is, “Well, we don’t have any needs right now, but we might someday.”

The theory here is that we need this water for agricultural development or whatever it is, but if you look at the figures, people are going *out* of the business of agriculture. The number of people in farming keeps declining every year. And the number of *small* farms keeps declining even more rapidly. And if you improve the efficiency of the use, it just isn’t in the cards that this sort of concept that we’ve got to . . . . You know, what you have is the hangover of the 1930s era with respect to water management and use, is still sort of the concepts of the 1930s, still hold onto the hearts and the minds of many in the business in the 1990s.

And in actual fact, the whole world has changed, and the problems that were there, and (sigh) the prevailing views that moved us along in the 1930s just aren’t here today. I mean, for example, the concept was in the 1930s that we needed to build reservoirs, to develop water resources, to create impoundments, and then we could use the water. Well, what kind of water do we need nowadays? Do we need impoundments to do that? And the answer is “no, they just aren’t there.” And other than Congress, which enjoys building reservoirs because it wants to spend money on local congressional districts, sort of pork barrel things, there really isn’t a lot of interest in doing that. And there’s certainly a lot of environmental opposition and citizen opposition to constructing reservoirs.

So the concepts that sort of drive a lot of people in this business, particularly the older ones, and the ones who are somehow connected in some way to the Colorado River, which is the most barnaclized institutional arrangement . . . . That’s all said very inarticulately. [The] Colorado, for some reason, seems to attract people with very small, narrow minds who cannot think beyond the box. And there is surrounding the Colorado, shrouding the Colorado, all these institutional mechanisms, which with all these small minds combined around it, they just tend to think, “This is it, this is reality,” and in fact it really isn’t. So it’s very difficult to sort of think innovatively and creatively when you deal with the Colorado River. It just simply can’t be done. And it’s very difficult to do. It is made even more difficult by all the institutional arrangements that surround the Colorado.

### **Native American Water Claims**

Storey: One of the things that is increasingly coming up are Indian claims on water rights. (Beard: Sure.) And I think I read somewhere, for instance, that those claims might reach as much as 40 million acre-feet a year, which is more than there is water! (chuckles) How have you been involved in Indian water claims in the negotiations and settlements that have been going on? And what’s your perspective on it all?

Beard: Well, I haven't been that directly involved. We have an office of Native American Affairs in Reclamation. They provide assistance to the secretary. The secretary has a special assistant who handles Indian water right negotiations and claims. And we've been providing assistance to him.

There are teams negotiating Indian water right claims around the West, on an area-by-area basis. There's one on the Wind River, each tribe has sort of a little negotiating team, and we have people that are involved in those, and we are active participants. I have felt, throughout my tenure, that one of the places where Reclamation can play a very positive role in the future is providing technical assistance to the Indian Tribes. We have the expertise, we have the commitment and interest, I think, amongst our staff, and I think we can play a major role in assisting them.

You know, most local governments, if you will, really don't need that much in the way of technical assistance from us. Most any good-sized city has a public works division or a water resource department or water department, which has people and the access to people through consultants and others, that can duplicate almost any service that we can provide. So the Southern Nevada Water Authority, for example, really doesn't need our technical assistance—they can design, engineer, build, manage, they can do anything we can do. They're on a much smaller scale, but they could probably do it, and they could probably do it cheaper.

Our future really lies as a funding mechanism, funding institution, and also providing technical assistance to those who really need it. And I think tribes are one area. I have been very pleased, and frankly very proud of the work that we have done through our Office of Native American Affairs. Joe Miller, who was the Head of the Office throughout my tenure here, and just retired last week, did an excellent job, and he did an excellent job by constantly bending the rules (chuckles), but going out and working on a one-to-one basis with tribes to try to develop their confidence and make friends with them. We never provided any service to any tribe unless that service was requested. And I like it that way. But our staff, through the Native American Affairs Office, and then with each one of the Regions working with tribes, we've done, I think, a very good job of reaching out to Native Americans to try to provide technical assistance. It's spotty, and it really depends on the personal relationships that we've built up, but I think it's been very effective.

In terms of their claims, I mean, their claims are legitimate. I mean, you know, as Senator S. I. Hayakawa once said about the Panama Canal, "We stole it fair and square." And we *did* steal the water fair and square. Clearly the Federal government is culpable, because it didn't protect Native American interests when non-Indians came along and stole the water. I mean, Arizona's a classic example. The Salt River Project, and others built projects upstream and dried up the river, allocated the water to non-Indians, end of discussion. What happened to the Gila River Community? What happened to all the other tribes in Arizona? Well, they lost out. And they lost out because the Federal

government didn't protect their interests and their rights.

Now it's payback time. You know, the tribes are coming along and saying, "Okay, hold it here. What happened? Why did this happen? And we want compensation." And frankly, they're getting it, because they have a very strong legal position. And it's happening all across the West. I mean, every single Indian community, band, or tribe, has claims, that they've been injured in some way. And they're beginning to assert those, and frankly it doesn't bother me. They can claim all the water they want, they're never going to get any. They're going to get a small amount of water, but most tribes don't want to go into the farming business. Why would they? If they aren't going to make a lot of money, it isn't a large generator of jobs, it really isn't important for those reasons. What it *is* important for, though, is this is a significant asset which was taken without compensation, and they ought to be compensated. And that's what happens in most of the settlements that are reached with tribes, that have been reached with tribes, are really monetary settlements. In other words, a certain amount of money is put into a tribal trust fund, which generates income, and that helps with economic development. And a little water is usually made available on the side to undertake whatever it is that they want to undertake. And that's legitimate, and I think long overdue. Now this is sort of my personal view.

Storey: When you say "compensation," are we talking money here?

Beard: Yeah. General run-of-the-mill average has been about \$40 million per settlement. I think some were \$30 million to \$40 million per settlement, so that's a pretty good deal.

Storey: If they get water out of the deal, where does the water come from?

Beard: They usually take it from somebody, or make it available from a Federal Project. You know, the fear behind your question is, this sort of fear of the non-Indian community, "Oh my God, they're going to take all our water." Well, the answer to that is, "No, they're not. And they never have." Because there is no system by which you can take people's water back. I mean, once it's been allocated by the State, with the Federal government winking on the side, once it's been allocated, and especially allocated to non-Indians, there's no way to get it back. You can't come in and say, "Okay, everybody's out of business, we're going to take your water tomorrow." That's never happened, and it never will happen. And anybody who says that it will is just . . . they're just wrong. I mean, it isn't going to happen. So what's going to happen is, that when you go to the tribes, you say, "Okay here's the issue. We're going to sit down and we're going to settle your claim. Now they did take your water, you're right, and they've got it now, but you aren't going to get it back. You may get a little water back, you may get some new water out of a reservoir, or water that's unallocated"—there are various schemes, and it depends on the particular case that you're looking at.

But there isn't going to be large amounts of water diverted back to tribes. First of all, what would they do with it? They have no ability to put it to use. And they have no ability to put it to use unless you get massive Federal investment for the construction of storage and delivery systems, which of course they're not going to get, because we are in a period in which we're downsizing that end of our program at the Federal level. So it's never going to happen.

Storey: I think one of the things I read argued that the treaties which tended to give water to the Indians—say they had the right to the waters and the lands and so on—predated other water rights, and therefore they should go sort of to the head of the line, and you're saying (Beard: Right.) that doesn't happen.

Beard: Yeah, they should, and they *do* go to the head of the line. Okay, now you're at the head of the line, what do you do? Take the water? They *are* at the head of the line, that's why they win all these settlements, because they are at the head of the line legally. But they aren't at the head of the line politically, because they don't have the votes, and you're not going to take water from somebody who's had it for the last hundred years. They may have had it illegally—they think they had it legally—and that's why money is the great equalizer here. Money is the way in which you correct the system. You say, "Okay, well, you're actually at the head of the line and you should have had this water for the last hundred years. But you haven't, and we can't take it away from the people that have been using it for the last hundred years, so we'll give you some money in return. And the answer in almost every case is, "Okay." I mean, you know, there's a lot of (chuckles) negotiation and all the rest of it, but in the end, that's what it all comes down to. It comes down to money as a compensation for water so that the tribes can get on [with] their lives.

### Central Utah Project

Storey: Another Project I'm interested in is Central Utah Project. I believe that one was turned over to the State or the water district for completion of construction? Could you talk about the issues involved for Reclamation there.

Beard: Well, I think the Central Utah Project is the ultimate expression of what happens when a Federal agency bungles its job. The Project was under construction, you had a district that was willing to do whatever Reclamation wanted it to do. It took forever to get things done, the costs escalated, but nobody cared. And at the point at which, it became necessary to increase the authorization ceiling for the Project—essentially run out of authorization ceiling. People began to try to find out, "Well, what's going on here?" And then the environmentalists got very active in it and began to say, "Well, why are we spending this money? Utah of course said, "Well, we have to do it, it's our future." It's the usual amount of thing.

Now the interesting thing about Central Utah Project is, this is the most expensive water ever created by anybody anywhere. You're talking about a

little over 100,000 acre-feet of water and we have spent *billions* of dollars in the construction of this Project. You're talking about billions of dollars being spent for a very small amount of water, which is what most people don't realize. Once again, it's part of the sort of the great compromise to use Utah's Colorado River entitlement.

So in the late '80s, a lot of controversy developed, and in the late '80s Reclamation made a number of *very* critical mistakes. They took their constituency for granted, they basically thumbed their nose at them. And the Utah congressional delegation, oddly enough, began to turn against them. And I think the turning point in the whole project was one year in which they fought like crazy to get \$70 million put in the budget, appropriated for construction of the Central Utah Project. Senator [Jake] Garn of Utah was the senator, and he fought very hard along with the district, to get that amount of money done [added], came back for the Appropriation Hearings the next year and they said, "How much did you spent on Central Utah Project?" and the answer was "\$30 million," to which Senator Garn said, "Hold it here, I thought we got \$70 million last year." "Yeah, that's what we did, but we reprogrammed about \$40 million of it to finish a project in . . . ." I've forgotten where we finished it, but I think it was one of the Projects in Texas or Colorado, it doesn't matter. Senator Garn just went crazy. He said, "You mean to tell me I fought like crazy to get \$70 million and you took \$40 million of it and spent it on another Project?!" Well, the answer was "Yes, Sir, we did." "And, I didn't know about this."

So what he did that year was—that was the beginning of the end for Reclamation's involvement in the Project—they said, essentially, "This is how much you get, and you have to spend this amount. If you don't spend this amount, you got to get our permission." Then the next thing that happened was, began to look at the overhead costs in connection with the Project, found out that the overhead costs were somewhere around forty percent, and that was really just the overhead costs for the Project Office, and the Regional Office, and Denver, and Washington, and all these other places. And so Senator Garn slapped a percentage, a ceiling, on how much could be spent on overhead for the Project.

And then negotiations began to take place between the environmentalists and the Utah congressional delegation about what they . . . . You know, more money was needed, but when they began to look at it, we had found that we had spent something like \$3 million on environmental mitigation in connection with the Project, and about *\$1.5 billion* on construction of the features, to which the environmentalists said, I think quite legitimately, "What's going on? You're building the Project, but you're not mitigating the Project at the same time." The answer is, "Yeah, that's the way we do business. And if you don't like it, tough luck." And so I think by that point, when the congressional debates were underway, people in . . . . I really think that the people in the congressional delegations—the congressional delegation had basically had it with the Bureau of Reclamation. The Bureau

was being totally uncooperative, so they began to move legislation.

The Bureau may [have], you know, compounded the problem by opposing the Bill and saying it was a bad Bill and poorly written and everything else. At which point everybody just sort of threw up their hands and said, "To hell with the Bureau of Reclamation." And the legislation that actually was passed in 1992 in essence said that the Project would be turned over—money would go to the secretary, the secretary would then turn it over to the district, and the district would oversee construction of the Project from here on out, and that the commissioner of Reclamation, the Bureau of Reclamation, was not to be involved in *any* decisions about the future of the Project. *Those* decisions were to be made by somebody else in the Interior Department, through an office of CUP completion, which was then attached to the assistant secretary for water and science. And that was sort of it. I mean, in essence, Reclamation was taken off the case.

And that's the state [of affairs], when I came in. I was supportive, I worked with the Utah congressional delegation on this legislation when I was up on The Hill. They were very supportive of me becoming commissioner, and they *did* support me, and I am grateful for their support.

And when I came in, I made sure that we appointed somebody who was very good to head that office, and we did get somebody very good, Ron Johnson, who was a Reclamation employee. And he's been doing an excellent job, and the relationships between the local district and the congressional delegation and the CUP completion office, *and* Reclamation have improved remarkably, so that I have enjoyed throughout my tenure a very close working relationship with the Utah congressional delegation. They've been very supportive of what I've been trying to do, and we have made sure that we pursued the intent of the 1992 legislation, which is for Reclamation basically to get out of the way and let the local entities finish this Project.

And I think what you'll see in the end is that they'll do a very good job, probably at a cheaper price than if Reclamation did it. Which leads one to a very interesting question, and that is, if that's the case, why are we needed on all these other Projects? That's a question for another time.

Storey: Have there been any complaints about the way they're doing the work? Has anybody tried to raise any issues?

Beard: No, they have to do it to certain standards, and that's why Ron Johnson and the Utah . . . . You know, that Federal . . . Central Utah Project Completion Act Office is there, to make sure that the local entities do the work in compliance with Federal standards. I mean, it's not like getting the work done to a certain standard is some kind of unique thing that *only* Federal officials can do. People at the Central Utah Water Conservancy District are perfectly capable of performing these functions. It's easy to do. I mean, the specifications are all laid out, and there's somebody there to interpret them, and they know what it

is that they have to get done, and so they go ahead and do it. It's a pretty simple thing.

Storey: And so this is no longer a Reclamation Project?

Beard: Well, *formally* it's still a Reclamation Project, but in essence it's not, no. But this is not unusual. I mean, the Mni Wiconi Project in South Dakota, the Mid-Dakota Project in South Dakota, the Webb Project in South Dakota—all of these were Projects where the secretary was really a funnel through which money was sent to local officials to plan, design, construct, and operate and maintain a facility. And I think that's the future . . . .

END SIDE 2, TAPE 1. JULY 5, 1995.

BEGIN SIDE 1, TAPE 2. JULY 5, 1995.

This is Tape 2 of an interview by Brit Storey with Daniel Beard on July 5, 1995.

### **The Future of Reclamation**

Beard: You know, the future of Reclamation really lies as a means by which Federal Funds can be made available to assist local communities in the solution to their problems. It doesn't lie with Reclamation examining a problem, developing a solution, designing the solution, constructing the solution, and then operating and maintaining the solution. That's the past. That's the way we approached things in the past. And frankly, it just isn't going to happen anymore. That isn't the way that we're going to do things in the future.

I think increasingly, when you look at our budget, our budget is becoming a pass-through budget. We're passing money through to local entities. And that's not unusual. It's unusual for Reclamation because we lived with this misguided impression that only *we* can do certain things. I mean, a whole interstate highway system was built with a very small Federal staff—a small number of Federal employees. What you did is, you had them overseeing the basic design of the system, the standards, and then they doled out the money to states who in turn matched it [with] ten percent, and then oversaw the construction of these facilities nationwide. They didn't need a huge Federal bureaucracy.

Well, it's the same thing in water. Every state, every community, delivers water to its residents. In 1902 you didn't have the technical expertise in all these local communities to build large storage structures, canals, and other facilities. Today, you have that capability everywhere in the United States, so you don't need Federal officials who do that as their only job—you just don't need it. And it's just the reality of the situation is, the way in which we developed is long gone. And we ought to recognize it. And I think most people in the organization do, some don't.

### **Hydroelectric Generation**

- Storey: What about the power function in Reclamation? I keep hearing rumors that it's going to be put up for sale and all that kind of thing. How do you see that shaping up?
- Beard: The power system in Reclamation is there as a historical accident. You know, when we built our storage reservoirs, in the beginning we suddenly put a turbine on and said, "Holy schmoly, what do we do now?!" The 1906 legislation<sup>13</sup> essentially said this should be made available to public entities. And as a result of that, this sort of whole myth developed about public power and public power sort of latched onto this source of power. They were there to take it in an era when there were surpluses of power, but I think that Reclamation will always have a very important power generating . . . . Let me back up.

The policy always has been that power is incidental to project purposes, and I think that's correct. It's the right way to look at it. In other words, these power generating facilities were there first of all to deliver power for the project, and then and only then should it be made available beyond that. The public power community has had a stranglehold on that power ever since we've been generating power. And they won't give it up lightly, and I frankly don't think—I think it's really a matter of time of how long they can hold onto that source of cheap power, how long they can hold onto it before they're either going to either give it up willingly or give it up unwillingly.

They'll probably give it up willingly because power generated at our projects is becoming more and more expensive, because frankly, we're probably a much more inefficient producer of power than the private sector is today. I mean, the electric utility industry has gone through a revolution in the last twenty years. You know, they've deregulated the industry and you've had this growth of independent power producers, cogeneration facilities, all the rest of it, and because you deregulate it, communities as well as industries all over the country are able to buy power from anybody who'll make it available. And that means that you have some very cheap alternatives out there. And because we are a Federal entity, we have a lot of other responsibilities connected with our power, like fish and wildlife restoration and all these other responsibilities, our power is increasingly becoming much more expensive. And I think that's probably what'll be the decline in the industry itself in the long run, is that our Federal power will become more expensive than the alternatives.

There *are* proposals afoot to sell the Western Area Power Administration [WAPA], Southeastern, Southwestern Power Administrations. And the deal that's been cut with the Clinton Administration is it's such a good deal that I don't know why anybody *wouldn't* buy it at the price that's being offered here. But I tend to think that the politics just aren't there, that those senators and congressmen who currently benefit from the current system,

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13. Townsites and Power Development Act of April 16, 1906, ch. 1631, 34 Stat. 116.



subsidized power, public power, will oppose sale proposals and the sale proposals won't go forward. And I don't know, maybe I'm wrong, but I think that they probably won't.

As a result, I think we'll continue to generate power and it'll be important. You know, it's an important source of power, it's a large amount, but I think that it's going to become less competitive. But since we don't market any of the power, we just generate it and hand it to somebody else, in essence that's going to be *their* problem, what to do with it once they've got it. That'll be their problem.

Storey: Okay. When you say that the politics aren't there, and that the congressmen and senators who benefit from the projects will ultimately oppose . . . . What are you talking about there? Benefit? You don't mean they're getting money, you mean they're getting political benefits, I presume.

Beard: No, they're getting money. I mean, it's all money.

Storey: Okay, well tell me how this works, if you would.

Beard: Well, I mean, power that is surplus to our needs, power generated at our projects, that is surplus to our needs of the project, is then handed over to either the Bonneville Power Administration [BPA] or the Western Area Power Administration for marketing purposes. It is then marketed to public power entities at a cost rate, cost-based rate. That cost-based rate has been historically lower than the rate for power generated by investor-owned utilities or others. So it's been cheap power, subsidized power, in essence. And it's been a substantial benefit to those that have received it.

In the Pacific Northwest, historically, Bonneville Power Administration, which marketed that power, from Bureau and Corps [of Engineers] reservoirs, was selling power at significantly lower rates—by many orders of magnitude, lower than other communities in the United States. And it was an engine that drove the economic development of the region. Well, now for a lot of reasons, the cost of that power that is being sold by either Bonneville or Western has been rising, and it's now close to the point where it's being sold at about a rate similar to that for power that is sold by investor-owned utilities. *And*, also, because you deregulated the industry, people have other options.

But there are still areas of the country, and I'm thinking particularly of the Dakotas, the Great Plains states, where public power plays an important role, the largest percentage of power consumed is delivered by public power systems. And those public power systems don't see any benefit in selling off the Western Area Power Administration. They want to sort of keep the present system if they can. And they are going to make sure, they're working very hard to make sure that their congressmen and senators don't support any effort to sell the Western Area Power Administration—even to the customers.

Because once you sell it to the customers, you're off the Federal subsidy bandwagon, and you're not going to get—your access to the Federal Treasury is, in theory at least, denied. But there are a lot of reasons why they oppose it. But they oppose it.

I mean, this is a huge, huge, huge benefit to certain areas of the country, and it's very important to them politically, so if you're an elected politician from South Dakota or Washington State or Oregon, you don't oppose what public power wants. They've *always* supported what public power wants—just the way it's always been.

### Why Political Appointees Leave

Storey: And they're supporting WAPA and BPA and so on. (Beard: Right.) Okay. Assistant Secretary [Elizabeth] Rieke. Do you have any perspectives on why she chose to leave and go to the University of Colorado?

Beard: Well, you'd have to ask her as to why she left. I mean, I think she was frustrated. This administration's been a very frustrating administration to work in, primarily because there isn't really a very effective decision-making process. And I don't know how decisions get made in this administration—Lord only knows how they get made. It just seems to be catch as catch can. I think she had disagreements . . . . You'd have to ask her, but my impression was she had disagreements as to approach, the way in which issues should be approached. I think there was also very substantial personal reasons—it's a good opportunity for her, lifestyle choice too.

I mean, I think it's important for people to recognize, that are listening to this, that in 1995 the pressures on people in our kind of positions are so strong, and the *disincentives* so large, that there reaches a point at which it just doesn't make any sense to continue to stay in these jobs. For example, most of these jobs are a little like trying to take a drink of water out of a fire hydrant. There are *so* many issues, *so* many things going on, so many issues are coming at you, that you simply can't keep up with them. And so that if you're a person who has an attention to detail and wants to feel confident and on top of every issue you deal with, you start in a hole, because you'll never get on top of *any* issue, practically. They're coming at you so fast, so quick, and there's so many of them, that you simply can't get on top of them. So what you have to do is you have to say, "I'm not going to work on certain issues," and just sort of push those off to the side, "and I *am* going to work on these issues," and even then you're constantly barraged by people who want to meet with you, there's tremendous demands on your time . . . . Just the number of issues, first off—there's so many, and they come at you so quickly, and they're so complex, that if you're the kind of person who is careful and thoughtful and you want to approach everything sort of carefully, you're completely uncomfortable. I mean, it's complete frustration, because there just simply aren't enough hours in a day to learn all about all of these things. That's the first problem.

The second problem is, the demands on your time are just overwhelming. You're constantly being asked to travel—and in my case, it's *all* out West, or international. You're *constantly* being asked to go here, go there. You spend most of your time saying “no” to people about invitations to travel this, that, and the other place. I think I've done a fairly good job of getting around, and I don't even think I've even scratched the surface. I've been to sixteen of the seventeen western states, I've been overseas several times, been to China three times, been to Japan, Bulgaria, South Africa, Mexico, and yet I don't even think—I feel that I've done a lousy job of getting around to people. I mean, I really do sort of feel that way. But in comparison to others . . . . So there's this tremendous demand on time, this tremendous number of issues.

And then there is within politics today, at least a point of politics like this, a sort of “meanness” to the way that things are going. People don't just oppose you or say, “I disagree with him on this issue,” it's a sort of “Dan Beard is out to get us, he hates us” kind of thing. There's a sort of a mean-spirited nature to the discussion of politics and policy issues in today's world, that makes it not a lot of fun. And there's sort of a lot of personal attacks about your character and your personality and stuff that make it difficult to operate in this environment.

Then you add the compensation. My pay is \$108,000 a year. My pay on the Hill was \$119,000 a year. So I took a pay cut of \$11,000, a thousand dollars a month almost, \$900 a month pay cut to take this job, and the pay's been frozen, and will be frozen throughout this administration. Now, I'm not a lawyer, but with all due respect, I can do pretty well on the outside. I can get a job. This job, in the private sector, would probably pay \$500,000 a year, minimum. Pay a lot more than that. If I was making \$500,000 a year, I'd think twice about leaving. But that's the way government is today. You don't come here and say, “Gee, I want to fight for a pay raise.” You know that you're going to be paid so much, but that's it.

But when you add in all these other frustrations and difficulties, and then you just sort of add in your lifestyle choices—in my case I have two older children, right now twenty-one and twenty-three, and a third child, ten—what it means is, with all the travel, I have made a lot of sacrifices: I have made a lot of financial sacrifices, and personal sacrifices to educate my children, but I haven't really seen them a lot in the last two years. I haven't been able to spend the time at home I wanted to do. But I did so knowingly. I mean, I went into this, knowing all that. So when you ask “Why does a person leave?” or why do political officials like myself only have a tenure of eighteen to twenty-four months, that's sort of part of the reason.

I mean, the pay isn't great, the working conditions are lousy (chuckles), the pay is lousy, the benefits are not all that good. You know, it's a wonder to me that they can attract anybody, people that are at all good. And you do it for a very good reason, you do it because you're committed to the issues, you

want to play in this arena, you want to have an impact, whatever the reason may be, that's the reason you're here.

But at some point, for most of us, it just reaches a point when you just sort of say "enough's enough." I can go out and make twice as much money and work half as hard. Now that's a pretty good deal, and for most people in this profession, they can. I mean, Betsy's probably going to make somewhere around what she makes now, but she'll have a lot more time to herself, won't have to travel as much, and get to do really interesting work. Well, it doesn't take a genius to figure out that that might not be a bad deal.

Storey: Isn't there also a dimension in government of so many interest groups that you can never satisfy anybody wholly?

### **Government as Participatory Democracy**

Beard: Well, I think in the 1990s what the government has evolved into is a sort of a participatory democracy. Most of our area managers and regional directors and other officials in the organization really understand that, I think. And most people in government today *do* understand it. I hate to sound like a college professor here, but the strength of the American democracy is that is the strengths of the checks and balance system. We have so many little windows that you have to go punch in at on your way to getting something done, that it frustrates you and it makes things difficult. But when you finally to get somewhere, when you finally make it, you do tend to protect the rights of the minority. And in other systems, if a substantial portion of the population isn't satisfied with a decision, that's usually a prescription for revolution or a war or a toppling of the government, and that's in essence, what happened.

In *our* system, we don't do that. We operate in this fishbowl. All my finances, all my travel records, my entire personal life, and what my kids make, what my wife makes, what investments you have—*everything* is open to public scrutiny—*everything*. Everything *I* do is open to public scrutiny, and frankly it *is* scrutinized. If it isn't scrutinized by the employees of the organization, it's scrutinized by some bureaucrat somewhere, or some interest group. And that's just a fact of life. I mean, that's just the way the system operates today. If you don't like it, you have an alternative, you don't have to play, you can get out of government.

Do I think we've gone too far? I don't know. I mean, it's really hard for me. I've spent my entire professional career in this era of participatory democracy, where there're so many interest groups, and you've got to deal with so many of them that I'm sort of used to it by now and I'm kind of numb to the question of, "Is this the right way to do it, or could you do it differently?" I don't know. I mean, frankly, this is the way I've had to operate. On Capitol Hill, when I worked in the Congress, you went to move a bill, and there were always people who kind of rose up out of the weeds and

said, “Well, we want this changed or that changed,” and you had to accommodate them, and that was just sort of the nature of the beast. So I’m used to it now I guess.

Storey: One last Project: the Colorado-Big Thompson. Are you aware of it? Does it stand out?

Beard: No. I mean, the things that have sort of consumed *my* time, at least my time here, has been the restructuring/re-engineering of the Bureau, whatever you want to call it. And then I’ve gotten involved off and on, you know, in particular issue areas, but not to the extent that . . . . I get involved to the extent that *I* need to get involved, which is if somebody has a decision that they need made and it involves me, then I’m happy to make the decision, but in the case of the Colorado-Big Thompson, we’ve never had any issues that have sort of floated up this far. They’ve always been issues that have been dealt with either at the Regional level or the Area Office level.

Storey: Okay, good. Well, I think we’re almost at the end of our time. I’d like to ask if you’re willing for the information on these tapes and the resulting transcripts to be used by researchers six months after you leave the Department of the Interior.

Beard: Yes. And I hope somebody does! (chuckles)

Storey: Thank you.

END SIDE 1, TAPE 2. JULY 5, 1995.  
BEGIN SIDE 1, TAPE 1. SEPTEMBER 8, 1995.

This is Brit Allan Storey, Senior Historian of the Bureau of Reclamation, interviewing Commissioner Daniel Beard, of the Bureau of Reclamation, on September 8, 1995, in his offices in the Main Interior Building, in Washington, D.C., at about nine-thirty in the morning. This is Tape 1.

### Why Chose to Leave Reclamation

Storey: I thought we’d start with the end of your stay at Reclamation. There are a lot of rumors in Denver—you know, my “lunch folks” that you’ve heard about before—about why you decided to leave so suddenly in the middle—well, sort of toward the end of the term, but not at the end of the term—and those rumors range from everything to, “He’s got a new job with an irrigation district in California,” to, “Babbitt doesn’t want him there anymore because the water users hate him, and he needs somebody who’s politically helpful to Clinton in the next election.” Would you be willing to talk to me about what motivated and where you’re going and all that kind of stuff?

Beard: Sure. I preliminarily decided to leave in about August or September of 1994. I came here really with only one thing in mind. As I’ve told you before, or

I've said in earlier tapes, I had a job on Capitol Hill which is the best job on Capitol Hill. I had a job where I earned more money than I make here, I worked for a great person, I enjoyed all the issues, and I had absolutely no reason to leave. But frankly I was a little bit bored and I wanted a personal challenge, and that's what this job represented to me, it represented a personal challenge. And I really wanted to see if I could manage, and, more importantly, change a large organization.

And I really concluded at the end of the summer in 1994 that we had done that. We had put the pieces into place, but what was needed next, what we *had* to do next in my view, to see the changes all the way through, was to change the culture of the organization. And that really meant making the organization operate more efficiently, within the context of the organizational structure that we had developed.

The kind of person that does that well and is needed for that kind of thing, is a different kind of personality than mine. What that takes, I think, is somebody who's careful in their attention to detail, is not initiating new policies and new directions at sort of every moment. You know, kind of letting things operate, but making sure they operate well. I am not that kind of person, that is not my personality, that is not my interest. That's really not my strength. My strength really is being at the *front* of the parade, not at the back, and that's sort of how I've always viewed it. I'm good at making hard decisions, being involved in the controversial issues. But I'm not good at making sure that day-to-day the organization operates efficiently and in accordance with all the regulations and procedures and stuff like that. Those are important things, and I don't mean to denigrate them, but that's just not me.

So I really decided that when I came, I really thought a lot about what was needed to make the changes. And we made those changes. I mean, we instituted the new organization, the procedures, and we made the tough decisions and we got the ball rolling and things went ahead and we did it. And so I really felt as early as August and September of 1994 that my job was really over, the job that I was really interested in doing.

And then it really became an issue for me of what do I want to do next, and when do I want to exit? And I thought a lot about that—particularly the exiting part. I really felt that the latest that I could leave was September of 1995, because I had to give the president and the secretary an opportunity to find and get confirmed a successor who could serve out at least the remainder of—you know, find somebody that would serve out the remainder of the Clinton Administration's first term, assuming he's re-elected, or if he isn't, serve out until January or February of '97. So as I went through the fall of 1994 I really became sort of more and more convinced that I had to really leave in the spring of 1995. And then around Christmastime—it was really November, I think—I kind of began to pick up indications that Betsy was going to leave, Betsy Rieke who was the assistant secretary. And she told me at

Christmastime that she was going to be leaving, and I really felt it wouldn't appear very good if she sort of announced she was leaving, and then I also announced I was leaving. I really felt that that was sort of . . . . That would have created the impression that there was kind of a purge in sort of the water side of the Interior Department. So I didn't say anything to anybody, other than I talked to Betsy and a few friends and family about my intentions.

And then in the spring of 1995, the secretary asked me if I was interested in being appointed the assistant secretary, and I said, "No, I'm not interested." There's no doubt, in my mind at least . . . . Well, I just wasn't interested. I really was not interested in being assistant secretary of anything—whether it was in the Defense Department or the Interior Department or wherever. It's simply not what I wanted to do. I enjoyed running and operating, being involved with the Bureau. And it's a lot different than being an assistant secretary. It's just a completely different thing. And I came here for another reason. I came here for personal reasons, and to try to address a problem, and then deal with that problem, and then move on—was my life. And so I told the secretary that I appreciated his suggestion or entree or whatever, but I wasn't interested—and I really wasn't—and that I in fact was going to be leaving. He's the first person that I told. And I guess I told him around March or something, but he asked that I not divulge that I was leaving until he had an opportunity to look for a successor, and that's the point at which he began to talk to a few other people, and then centered on Eluid Martinez.

Because Betsy left—I think she left at the end of May (Storey: I think so.)—around June 1 of 1994, and then I think we announced that I was leaving afterwards. And I was okay with that. I mean, I came here under . . . . You know, when you come here and you serve in these kind of capacities, you kind of give up a certain amount of freedom about when you can sort of announce you're leaving and all the rest of it. And I think now in retrospect, I think I stayed too long. And I only stayed until September because the secretary asked me to. I think if I had to do it over again, I would have announced I was leaving and leave in thirty days. It's just much easier, because it just drags it out too long. But the secretary has been *very* supportive of everything we've ever done here.

As you say, there are some people that say there's too much criticism. I don't even think that . . . . The kind of criticism that we've received in Reclamation in this administration doesn't even begin to compare with the kind of criticism that's been leveled against this administration on land management issues, such as grazing and other things. In fact, the secretary has told me repeatedly how surprised he is, how little criticism he receives about water issues. He thought when he came that that would be the biggest and most controversial area, and, in fact, it's turned out not to be the case. And I think that's because we've managed to handle a lot of those issues politically, a lot better than he ever expected.

## Where His Supporters Are

But no, there's no doubt that there's many in the agricultural community, or many in the water user community, who don't like me, but there's also a lot of people that *do* like me. The secretary and this administration—I didn't get this job because people opposed me, there are a lot of people who *support* what I'm doing. And you know, again, it never ceases to amaze me, and I continually hammer away at this with our regional directors and others, the water users are not the only people served by our program. I mean, we're a multiple-purpose agency, we have power users, we have environmentalists, we have the public, we have taxpayers, and we have water users. Within the water user community we have large, efficient, modern organizations, and then we have small, inefficient, backward organizations. And we have cities, and we have rural areas. So it's not a monolithic group out there that we're serving only one group. We're serving a very large constituency.

And *I* represent, and am supported by, the largest segment of that group, but it's not the traditional segment that this organization has always served. Rural irrigated agriculture certainly is not the group that is my biggest supporter, but again, there are some in that community who *do* like me. So it sort of depends. But it doesn't bother me. I mean, it didn't bother me one way or the other. You don't come into this job to be liked by everybody.

So my departure was really—it was a personal decision, but it was a personal decision where the timing was really shaped by others, and I didn't have anything to do with the timing. In fact, I probably would have left in early August, had it been up to me, but the Area managers asked me to come to their next meeting, which was yesterday and the day before, September 6 and 7. So I went to that meeting at their request—stayed on, essentially, just to go to that meeting. Otherwise I would have left thirty days ago, which would have been just as fine with me.

Storey: You mentioned that the largest group of constituents supports you. What is that group? (Beard: What is that group?) Would you verbalize that for me please?

Beard: Sure, municipal water users. Every municipal water district in the West has been very supportive of the kind of changes that we've been making, whether it's the Metropolitan Water District, other districts in California, San Francisco, Contra Costa, East Bay, Phoenix, Tucson, Las Vegas, Central Utah, Seattle, Portland.

You know, people keep forgetting, water isn't just water for farmers—water is water for everybody. And the West is *the* most urbanized area of our country. More people live, on a percentage basis, in urban areas in the West than any other part of the country. And, you know, what I have always tried to do is to broaden the constituency for this organization. I mean,



Reclamation will never survive if its only constituent group is rural irrigated agriculture. Nobody's going into farming today. They're going *out* of farming. So if you hitch your wagon to a star that's fading—I mean, you know, you say, “Oh, our core constituency is rural irrigated agriculture,” and the only thing that we know about that is, that there's fewer and fewer of those each year. I mean, the number of acres under irrigation, being served by Reclamation's projects, declines every year. I mean, we're like the Veteran's Administration, or the Department of Veteran's Affairs—if you have no wars, what's happening is, our constituency is getting smaller every year. All of our projects are suburbanizing.

The largest group of water users that we have are part-time farmers who have hobby farms. If you really looked at the people served by Reclamation projects, that's the core constituency. We have 250,000 farming operations, served by Reclamation projects, according to the EIS [environmental impact statement] that's being put together. And about 200,000 of those are hobby farms, and we don't even count them.<sup>14</sup> They don't even report anything. So we have thousands and thousands of these small hobby farms where people work their two-income-earner families, and they're working in the city. And yet they're served by a Reclamation project, and there's more and more of those each year, and there's fewer and fewer large sort of agricultural operations.

In some areas of the country, it's a very stable system, like in South Dakota and Kansas and Nebraska. I mean, those are very stable land-ownership patterns, and very little change is taking place. But in other areas—Idaho is a good example, where you have suburbanization taking over our farms that have traditionally been served by Reclamation. So there's a lot of myth and a lack of reality connected with the Reclamation program. It's always sort of intrigued me, this myth of the Jeffersonian ideal, that this is what we're in business to do, to serve these people. It doesn't hold anymore. That isn't who we're in business to serve, because if we were, we'd be out of business pretty quickly. There's no way that you can justify spending the kind of funds, money that we spend to serve just that group.

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14. The draft environmental statement (DES) to which Commissioner Beard referred is “Proposed Acreage Limitation and Water Conservation Rules and Regulations,” Draft Environmental Impact Statement, United States Department of the Interior, Bureau of Reclamation, March 1995. The subject matter of this environmental statement is quite complex, and it is important to understand that all Reclamation projects are not subject to acreage limitations. In 1991 about 23 percent of land (some 2.1 million acres, of about 9.2 million acres) on Reclamation projects were not subject to acreage limitation provisions (See figures on pp. 3-1; 3-8 from which this information can be derived). The following quote from page 3-9 of the DES illustrates the point that Commissioner Beard was making:

“Under the current regulations, landholders whose total landholding is 40 acres or less are not required to file forms establishing their compliance with Federal reclamation law. During 1993, about 255,000 landholders in districts subject to acreage limitation provisions held 1,598,839 acres in landholdings of 40 acres or less.

Landholders with more than 40 acres subject to acreage limitation provisions are required each year to file forms describing their landholdings as a condition of receiving project water. During 1993, about 29,000 landholders held a total of 5.2 million acres subject to acreage limitation provisions in landholdings larger than 40 acres. . . .”

## Developing Independence in Reclamation

Storey: Okay. One of the things I did want to ask you about is the Area managers. From where I sit in the organization, which is way down and outside the management structure, the Area managers have been created, they've been given a lot of independence, there are, I think, probably a lot of tensions between the Area managers and the regional directors, in particular. And you've been very, very supportive of the Area managers and of moving power from higher levels down to them, yet it has appeared to me—and I don't know whether this is a true perception—that you very seldom go to the Area managers' meetings, and when you do go, you're just there for an hour or two. Now, is this a misconception on my part, or what?

Beard: How do you base that conclusion?

Storey: This is just what I'm hearing, and I don't know whether it's accurate or not.

Beard: Well who are you hearing it from?

Storey: Well, I'm hearing it from everybody, (Beard: From everybody—) from people who were there, from Area managers, and I'm just wondering if it's true, and if it is, what your thinking is.

Beard: It's horseshit. I mean, I've been to every single Area managers' meeting. I participated in the first few in every single moment of the group, of the discussions. I structured them, I was there every moment. But it became obvious to me after the second or third meeting that having me organize, operate, and be the dominant personality at these meetings was the wrong way to go. What these people needed, more than anything else, was to begin to assert their independence, and learn to address issues by themselves, without me. They didn't need me to do this for them.

And so I intentionally began to extract myself from those meetings. I went, I participated, I had a certain part of that program, which was *my* time, and I used it for certain things. But I intentionally extracted myself from those meetings. And I did so because it's absolutely, fundamentally important that people in this organization learn to operate the organization *without me*. I mean, there is a personality cult in this organization, which never ceases to amaze me, which is that the person who sits here as commissioner is God and king, and he—or she, hopefully, someday—is *not*. I mean, the fact that people would wander around saying, "Well, Beard isn't there," is the stupidest thing I've ever heard. I mean, really, it grates on me, primarily because it shows once again that people like you, and you're supposed to be an observer of this organization and see what's going on, and yet you would say that this is a conclusion which one could fairly reach, based on just rumors. And of course it's not true.

You've come to the right source. The answer is, "Yeah, I'm not there,"

but I'm not there for a reason, and the reason is, is that they need to address these problems and learn how to survive on their own without me—or anybody else who sits here. I also didn't attend some of those meetings because I was called away for congressional hearings. I was also called away by the secretary to attend certain meetings. There was one of them I had to go to the Indian Listening Conference, another one I had to come back for congressional testimony. So there's, particularly, scheduling reasons why I didn't attend some of them, and that probably would lead some people to gravitate to that opinion or reach that conclusion. In actual fact, it was intentional on my part. It was intentional on my part because I didn't want this cult of personality to continue to dominate the organization. I mean, one of the things that I've been trying to do is to say to the Area managers and the regional directors, that you don't need me.

I have a specific job here, it's to make policy decisions, it's to deal with the Congress, it's to deal with the press. And I set an agenda and give a policy direction, and I give priorities through the budgets. But that's *my* job. The operational part is their job, and anything I can do to improve their operation, the way in which they handle the operation of the organization, is a plus.

And I would really strongly and almost strenuously disagree with your characterization that there's a great deal of tension between the regional directors and area managers. Once again, I think that's a view held by people in Denver. And people in Denver, frankly, don't know what's going on. The area managers are all *hired* by the regional directors. And I don't know too many people that are hired by somebody and then turn around and say, "Well, now I'm going to fight with that person." Because frankly, they won't last very long on the job, because if they *are* fighting with the regional director, my view would be, get rid of them, move them out, because what we need—and we discussed this at yesterday's meeting, for example—the most important lesson we're beginning to learn is that we're a corporation. We make corporate decisions, and that we have to make these decisions together, that we have to be supportive of where we're going together. We can't allow deep differences to divide us, because if we do, we won't succeed. And that's why these meetings are especially helpful, bringing people together and talking in a corporate sense about "What is it we're trying to do here, why are we trying to do it, and what should we do?" And then make sure everybody's sort of okay with that, and if they are, then we can move forward. If you have deep divisions, you just won't make it. And I think we have increasingly—at least I hope—the message has been sent to people that you're either with the program or you're not on the team. And it's not like there's some kind of ideological litmus test here, because we do have people that range—there's ranges in capability and ideology. We have people that disagree with me on a lot of issues, but they're team players as well, and I think that's always important in an organization.

Storey: Well, I apologize for not phrasing the question quite right, but I got what I wanted on the record anyway.

Where do you think the division of responsibilities between the regional directors and the area managers is going? How has it fallen out at this stage of the reorganization?

Beard: Well, I think increasingly, the regional directors are involving themselves in less day-to-day decisionmaking and are increasingly spending more time on policy, press, and budget issues, some personnel issues. I think the best example of the changes that have happened in our organization, and the best example of *why* our new organizational structure and way of operating is a better way of operating, were the problems that occurred at the gate failure at Folsom Dam. Just by way of background, you know, for researchers that are looking [it] up, it would have been in early August of 1995, at eight o'clock in the morning, it was a Monday morning, there was a gate failure. One of the gates blew out, and essentially over the next week-and-a-half or two weeks 500,000 acre-feet of water ran out of the reservoir, until we were able to stop it.

Now, that happened at eight o'clock on Monday morning. By 8:05, the local police had been called, the Area manager was up at the dam, the State Parks people had been called to clear the lake, because essentially boaters would have been sucked right out. People had been sent down the river to make sure that—you know, the river level downstream was going to rise significantly—and make sure that nobody was in danger there. And at nine o'clock, one hour later, we held a press conference at the dam to explain what had happened, what was happening, what we knew, and how it was going about. Now, what happened at that time was that the Area manager, Tom Aiken made a decision. He called the regional director, who wasn't in yet, and got ahold of the Regional Press Officer and said, "We gotta let people know right away what's happening here." He took the responsibility for calling the press conference, announcing what happened. By about mid-day, he and Roger Patterson, the Regional director, had decided that an international task force had to be created to investigate what happened and how, and they appointed the task force, composed of Corps and Cal DOT [California Department of Transportation] people, an international expert from Japan, you know some other internationals.

Now you notice in this, nobody called me. Nobody called here. Nobody called Denver. In the old days, you see, they would have never held a press conference without first calling Washington or Denver to find out what happened. They would never have appointed an investigative group to look into what happened and why, without going to Denver and finding out first, all of which would have taken two days, in the meantime we would have been plastered all over the press and castigated and run through a gauntlet. But all of that took place without anybody up the line being told—without coming to anybody up the line saying, "Gee, can we do this?" There was never any hesitation on our part. I talked to them subsequently, "Did you ever think to call me and say, 'Gee, can we do this?'" And he looked at me and said, "Well, no, because you've told us repeatedly that we have the ability and the authority

to proceed with this stuff independently.” And that’s *exactly* the right answer.

Now, the result is that . . . . And we’ve spent time in the Area managers’ meeting talking about, “How do you deal with press? How do you deal with situations like this?” And it was dealt with exactly the right way. The inevitable leakers came through, former disgruntled employees or just former employees who said, “You know, I wrote a report in 1988 that showed that there’s rust out there on those gates,” and so they called the newspaper reporters who immediately came in and said, “We understand there is a . . . .” And you know what Tom said? Tom said, “Yeah, I think there is a copy of that report around. We’ll get it for you.” They got it for them and said, “Yeah, here it is. Yeah, there it is, page three.” And they said, “Well, what’s your response to that?” “Well, come on, we’ll go out to the dam and I’ll show you the rust.” And fortunately, the item that was mentioned was the only item at that particular gate that was still left intact and operating exactly the same way. So the press people said, “Oh, well, I guess that isn’t such a big deal.”

Well, imagine what would have happened if we said, “No, you can’t have a copy of that,” or “I’ll call Denver and ask them if I can give you a copy,” or “I’ll call Washington and ask them [if I can give you] a copy.” You’d have had a completely different story. The press would have said, “Documents show Reclamation screwed up.”

Now I sound as if I’m coming across as this is all sort of political, or, you know, I’m running a public relations exercise. In some sense I am, but in some sense, I’m not. What it shows is that officials out in the field felt they had the ability to immediately respond in the best way they knew how, to the press . . . . Oh, they also notified the Congress, they notified us and told us to let the Congress know. We let the Congress know before the members of Congress heard it from the press, who deeply appreciated it. They are still sending weekly communications to members of Congress that represent the area . . . .

END SIDE 1, TAPE 1. SEPTEMBER 8, 1995.

BEGIN SIDE 2, TAPE 1. SEPTEMBER 8, 1995.

Beard: The people out there have the ability to do their job without asking at every point and at every important juncture. And it’s the best example I can find of how we’ve been able to operate in the new system, if you will. I mean, how this has enabled us to deal with a very controversial issue. I mean, 500,000 acre-feet is a lot of water. That’s water that was in storage, and boom, it’s gone.

There’s been a lot of criticism. You know, a lot of members of Congress and former employees and others, newspaper people, have come up with all kinds of rationales for what happened: “Oh, it’s bad maintenance, it’s this, it’s that.” But in the end, none of it stuck, because the local officials, the Area manager and his operational team has been there to address all those

accusations when they came up, and they felt “empowered,” if you will, to immediately respond to those accusations, which they did. And in my view, it’s made a tremendous difference.

Storey: And also we have the regional director and the area manager working cooperatively there.

Beard: Sure. I mean, if there are regional directors and area managers who *aren’t* working cooperatively together, then it’s my job to sit them down and say, “Listen, you’re not working together. And if you’re not working together, one of you isn’t going to be here.” I mean, it’s that simple, because that’s my job. And I think one of the things I’ve prided myself, is when I’ve had a personnel situation, personnel problem, I’ve solved it. Now the Federal government isn’t the easiest place to solve things (chuckles). It’s not the easiest place to do it, but you know, you got to do it. I mean, that’s your job—that’s my job. That’s what I’m supposed to do. If people aren’t doing their job, then I’m supposed to rearrange the desk chairs here so we got people who get along.

### **Successes and Failures in Reorganization**

Storey: The reorganization took place really in the summer of ‘94 last year, and then became official, I think, on October 1. Where do you see the biggest success or successes, and the biggest failures of the reorganization?

Beard: Well, I think the biggest success has been—I’d divide it into three categories: success, question mark, and failures. I don’t know if I’d call it failures. But, I think the biggest success has been the concept of delegating authority to and empowering the Area Offices. Every single Region has gone through significant reorganizations, and they have reduced the size of the Regional Offices—and it varies from Region to Region—but every Regional Office has been reduced in size. Every Regional Office has been reorganized and restructured. And every Area Office has been changed to a lesser or greater degree. And I think in time—I mean, it hasn’t happened yet—but in time it’ll prove to be a great success. We will have a change overall in the performance of the organization as a result. I think we have already, but it’s still got a long way to go.

I really do think that another success—I think I’d put sort of two in this category—I was very impressed with the job that was done in Denver, the job of the creation of the Technical Service Center. The work that Larry Von Thun and his group did to move from the old structure to the new structure. It was a very, very, difficult, painful, ugly process, because you’re dealing with people’s lives and careers. But I thought that they did it as well as it can be done. I mean, there’s a solid intellectual base to the new organization, there was a solid intellectual base for the changes that were made, and I thought they were done as humanely as you can do them under the Federal structure. The Federal structure doesn’t allow you to do them humanely, but I think they operated within the structure as best they can.

After having said all of that, I think the great question mark in the work that I have done, the great question mark is whether or not the Technical Service Center will survive, long run, whether in thirty or forty years it will be there. Because the fundamental concept of the Technical Service Center is [that] other elements in Reclamation need the services of Federal employees, a technical group of people who can provide assistance to them, who are Federal employees and who they pay for. And I think long run, that it's a question mark: Will people in Reclamation, the operating portions of the organization, be satisfied with the level of service that they'll receive, and will they go out to other elements? Will they go back to the Service Center? I would have to say that we have had the leadership at the Technical Service Center, and the Reclamation Service Center, that is the best leadership that we could have ever gotten. I think Jim Malila, and Felix [Cook], and Kathy Gordon and Margaret Sibley have done an absolutely superb job of taking this concept—particularly Jim Malila who has taken this concept and put it into business terms in a business plan, and he has a board of directors, and he meets on a regular basis. And frankly, when you look at the numbers, we are running that organization on a reimbursable basis. We made some mistakes, we forgot about training and some other things, so we're a little bit in deficit in terms of covering our costs, but we're a hell of a lot closer than we've ever been. And I think it's all due to Jim's personal commitment to the idea. But there is a question in my mind whether, long run, that is the right way to do it.

I think if there's been a failure . . . . I don't know if I'd call it a failure. I don't think that the concept of having a commissioner's office in Denver and a commissioner's office in Washington has worked yet. I don't think that it's clicked. We haven't got it to work, and I don't know what to do to get it to work. The theory was that we would have people here, and then we'd have people in Denver, and the people in Denver would work on sort of more long-term things and maybe policy issues or program analysis stuff that was sort of long-term in nature, and then could feed that information into the Washington Office, and the Washington Office would be people that were working on the day-to-day stuff. I don't think that's worked, because when I go to Denver and I talk to people there, it's like they're working on a completely different plane than I am, and they're frustrated a lot of the time because they don't know what I want. And so it's difficult, and I don't have any panacea for this, I don't know how to fix it, to change it. But I don't know, that's the only one that sort of (sigh) in the long run really makes me wonder whether it will ever work. I mean, it may just be that you just have to bring all those people to Washington—or you move all the people to Denver—but somehow get them housed in the same place. Now I still don't think that you need to do that yet, because large organizations run in a very decentralized sense. And large decentralized organizations can run efficiently and effectively. And so in my view, I haven't been able to figure out what it is that doesn't work and why it doesn't work—other than me spending one day a week in Denver, which I simply couldn't dedicate that much time to doing. And I don't know of anybody in this job who *could* do that. So other than that, I haven't figured out the solution yet. And I don't have any advice for my successor either, in that

regard.

### The International Program

Storey: The International Program is one of the activities that you have been very active in. How has it developed since we talked about six months ago, and what do you think the overall results are?

Beard: Well, I think I've spent more time on international issues primarily because I was interested in it, more interested than anybody else that's ever had this job, I think. The International Program will never be an integral part, an important part of Reclamation's activities. It has historically been one or two percent of our total program and personnel commitment, and it'll *always* be one or two percent. I mean, I just don't think you can make it any bigger.

I got interested in it because, as you know, the changes we were making in the organization, one of the things I felt I had the responsibility to do was advertise what we had done, and I think do a job of *selling* what we did, and I think I succeeded, because I think people in the press, in the Congress, in other organizations . . . . If you ask people today, people who know about Reclamation and say, "What do you think of the Bureau of Reclamation?" they say, "Oh yeah, it's changed." They didn't reach that conclusion because they thought it up on their own. I mean, they reached it because we went out and we had a message and we told people that message over and over and over and over and over again. And we've backed it up with reality.

We've actually done things, but in addition to that, that's been my job, to actually go out and sell it. And I really felt that the international area was one way that I could do that. And that's why I sort of got into it. I went on my first trip to go to the Chinese and explain to them why I was getting out of Three Gorges. But then I also went to the International Commission on Irrigation and Drainage and talked about the changes that we were making, and why we were making them, why it was important. It was very interesting, that message was very powerful with some of those organizations because they had this perception of the Bureau of Reclamation, and suddenly they talk to people who talk to people who talk to people and it has a sense of feeding on itself.

And so I actually started out in the international area to use these international forums as a means of articulating the changes we'd made and why we'd made them and the fact that we'd been successful at it. And that's why I went to those originally. Once I got there, I learned a lot. I learned a lot about Reclamation, not the least of which was that Reclamation was really quite well-respected, internationally—much more than it is in the United States—and represented a vision of what many people wanted to be, I mean of many ministries or public agencies in other countries wanted to be. Something they aspired to be was to be like the Bureau of Reclamation.



So I haven't participated in Bureau of Reclamation international activities because I just thought it was a lot of fun, I've done it, once again, for a reason. The problem with international activities is, to go anywhere takes a week. I mean, you go anywhere, and it takes you a week. You go to China, or you go to Europe, or anyplace. And a week is a lot of time, frankly, for me to commit to anything. You're not able to do a lot of it, and then it's also sort of the Bureaucracy of getting approvals and getting on a plane and getting a visa and all that kind of stuff. It's just sort of a big hassle. So that's why I've been that active in international: it's really part of the overall picture. It's not anything that was sort of unique or different.

### Plans after Leaving Reclamation

Storey: Where are you going from here?

Beard: I'm going to go into business. I am forming a government affairs consulting firm—which is a nice way of saying lobbying firm—with a fellow by the name of John Freshman. He's been in business for fifteen years and a friend of mine. And we are going to form an organization called Freshman Beard, Incorporated, and it's going to be government relations work in Washington.

I hope to do three things. I hope to do some lobbying. I can't lobby here at Reclamation, so I've got to lobby on the Hill. But do some lobbying, and then do some consulting work, and right now that appears that the most productive thing for me would be to assist people in either management activities or marketing. And the third thing I want to do is that I want to do some public speaking. I want to try to see if it's possible for me to speak . . . . What I want to do is get bookings to speak at conventions and other things where I can be a public speaker, and I'm particularly interested in talking about the story of Reclamation, what we did, why we did it, what happened, what worked, what didn't work. Because in my view, every government agency throughout the nation is going to go through what we went through in the next decade. It's sort of inevitable. And I think what we did is interesting for people in government service. There's lessons to be learned from it. And if I'm entertaining and interesting, or interested, [I] can make a little money at it. So I'm going to do that.

I'm also *retiring* as a Federal employee, so I have a small annuity. And I'm going to try to do this business/venture/opportunity for a number of years. I looked at a number of possibilities, running nonprofit organizations, I talked to some water districts, but you know, the problem with that is that anything that you would run or be in charge of is by several orders of magnitude smaller than the Bureau of Reclamation, and would have necessitated moving. And because of my personal situation, my family, I don't really want to move at the present time. I don't want to move to the West Coast or somewhere out West

just yet—probably in a few years I will, but not right now.<sup>15</sup>

- Storey: When you say lobbying, you say “can’t lobby at Reclamation,” and that’s because of the restrictions of lobbying people you’ve worked with for—two years is it? or a year or something?
- Beard: I don’t know, every time you ask them a question, they give you a different answer. But essentially you have a two-year ban from coming back to Reclamation to try to influence them to make decisions.
- Storey: But there’s nothing that restricts you from going to your former acquaintances on the Hill, for instance.
- Beard: No, not that I know of.
- Storey: And that’s the kind of thing you’re thinking of doing?
- Beard: Yeah. I mean, you know this town is filled with people who—there are thousands of organizations out there who have all kinds of problems, whether it’s with the World Bank or the State Department or Defense Department or the Congress, and there’s a lot of business opportunities out there for people like me. I can’t come to Reclamation, but if I was just counting on Reclamation business to make my living, I’d get poor real quickly.

### Seeking Nomination as Commissioner of the Bureau of Reclamation

- Storey: Well, we started out with the end of your stay at Reclamation, I’d like to go back to the beginning now and talk about the process that you had to go through in the confirmation period. I believe I’m aware you were hired as a consultant to the Department of Interior. I know that you went and got the job, and you’ve talked a lot about that before, but what did you have to do in terms of dealing, for instance, with members of Congress? What kind of prep stuff was done to prepare you for the hearings in the Department of Interior? Those kinds of things.
- Beard: Frankly, very little. The hardest part about getting here was the campaign to get the job, first of all, which really involved first of all deciding I wanted to do it, and then I met with a number of friends of mine, most of whom were lobbyists. And I talked to them and said that I wanted the job. And we sat down and sort of mapped out a little campaign, and then it really became a case of methodically going to each organization and saying to them, “You know, I’m trying to get this job, I’d appreciate your support. If you’re willing to support me, would you write a letter?” And you had to write those letters, starting out, to the White House Personnel Office, and then you got members of Congress and senators and others to write letters. And then once the person

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15. Dr. Beard in 1996 moved to Boulder, Colorado, as the regional vice president of the National Audubon Society. In December of 1996 he was reassigned to Washington, D.C., as the National Audubon Society’s senior vice president for Public Policy and director of its Washington, D.C. office.

was identified who was the secretary, in this case [Bruce] Babbitt, then I went through the same process again. You know, write the letter to Babbitt now.

Then I met with Babbitt—he came to visit with our committee. I was the staff director for the House Committee on Natural Resources—and he had a dinner with us, the members, and I was there. At that dinner he said, “I know you’re interested in this job, and I’ll be back in touch with you, and I want to sit down and talk with you.” So then I went in for two interviews with him, and then he told me that he was going to support me. And then it was a question of sort of getting through the clearance processes at the White House, and once I was cleared at that point, then I came to the Department as a consultant.

I quit my job and came here as a consultant. And it’s kind of interesting, when I walked in, there’s nobody there sort of saying, “Hello, Mr. Beard, welcome. Now here’s what you need to do.” They just sort of say, “Hey, Dan, good luck!” That’s been sort of one of the hallmarks of this administration. They don’t tell you what to do, or what it is they want done, which has been sort of unique in that regard. Most administrations I don’t think are like that. But anyway, I came and I was on the third floor. You can’t participate in any activities of your agency while you’re in that status, and you can’t be in charge of any . . . . You can’t deal with any decisions. And so the people from Reclamation did come down and give me some briefing books, but most of the issues I was pretty well familiar with.

And then what I did was visited with senators. I went up to the Hill, made appointments, and then met with senators, and they’re courtesy visits, and members of the Senate Energy Committee, the committee that’s going to confirm. It’s interesting, you call up, and some senators say, “We don’t meet with any nominees before their nomination.” And you sort of respect that. You say, “Fine, any questions, give me a call.” But some of them do like to meet with you, and usually they’re very brief meetings. You know, “Hi, how are you?” Usually you’ve sent material up, what your background is, and they say, “I’ve looked at your background, you’re certainly qualified.” Inevitably every discussion I had went back to my former boss, George Miller, and they said, “Yeah, I’ve worked with George and your committee,” and all of them *had*, and they usually had some comment to make in that regard, and then they would raise some issue like, “The Such-and-Such Project in my district is real important to me.”

At no time—and this is another one of those great rumors I really love . . . . I get a kick out of rumors, actually, it’s kind of fun. People say this stuff like they actually knew what was happening, and if they’d ever call me, I could tell them that it wasn’t true. Animas-La Plata was one of the things. Everybody said, “Oh yeah, Ben Campbell, he got a commitment out of Beard.” Well, it was real interesting. I went to meet with Ben Campbell, and Ben Campbell says, “Animas-La Plata is terribly important to me,” and I said, “I know it is!” (chuckles) And he said, “I didn’t like George Miller’s comments

about it.” And I said, “Yeah, I know you didn’t.” And that was sort of it. I’m no dummy! I’m not going to stand up there and say all kinds of bad things about Animas-La Plata when I’m trying to get confirmed, but it was very interesting. Ben Campbell never said anything to me, and I never said anything to him.

Questions were asked of me. So I went through all that process, and then the Senate scheduled hearings and I went to the hearing, and fortunately, just like a thunderbolt—talk about dumb luck!—I was paired with George Frampton who had been the president of the Wilderness Society and was a *very* controversial nominee, and I looked reasonable next to him. So I kind of sat there and let George take all the questions. And while they beat him up . . . . They started with me, and you’ve got to remember, I walked into the Senate for my confirmation hearings, after having spent the last three years working on a mega-Bill, a *large* piece of legislation, which authorized more than \$3 billion in water project construction funds. And every one of those senators who were up there had Projects in that Bill, and they were grateful to me for the job that I had done in helping to get that Bill through. So when I walked up there—and if you go back and look at the hearing record, the hearing record is filled with all these people saying, “Dan Beard is a great guy, because you really helped me. You helped me personally, and I am grateful for it.” And it’s funny. I had *no* trouble at all, because again, perception is different than reality. The members of the Senate Committee not only liked me, but they have viewed me as a friend, because I had helped them solve their problems and get bills through. I’d worked for eight years in the House of Representatives, working on water project legislation. And so every one of the senators that was at all interested in this program knew me, and I had worked on their problem, and helped to move legislation that was helpful to them. So they didn’t view me with any antagonism at all. They knew me as somebody who’s pretty practical and pretty political, and willing to sit down and solve their problems. And it’s interesting, when I announced that I was leaving, I got a lot of handwritten notes from senators and congressmen, and more than half of the notes were from Republicans (chuckles) which sort of made me chuckle, because they were grateful, because I didn’t go around on some ideological witch hunt and say, “I’m only here to help liberals and environmentalists,” notwithstanding what some people say. Because you won’t succeed in this business, you won’t be successful if you do. I mean, it just won’t happen. And more importantly, you’ll never get anything done. I mean, if you just take one ideological position, you’ll just never get anywhere.

So for me, the confirmation hearings, frankly, were very easy. And then once that was done, you know, I had no investments, I had no money—debts don’t count, I had lots of credit card debts. I mean, I had no intricate finances or conflicts of interest that made my confirmation at all difficult. For our hearing, we had a mock hearing here in the Department—they had a number. One night we had about an hour thing where a bunch of political appointees came and served as members of the committee and then asked me questions. You know, I’d spent my *life* in congressional hearings. I mean, my

entire professional life has been spent in congressional hearings. I could do these things in my sleep, because I've not only written the questions, I've written the answers, and I've written the statements, on *both* sides—the congressional statements and the testimony. So I could choreograph the thing from beginning to end, so it's not terribly difficult for me, and I was *never* at all nervous. And in fact, I testified as commissioner a number of times. It wasn't difficult, and it didn't make it very difficult for me. So my confirmation hearings actually were a breeze. I mean, I don't want anybody to sort of take that out of context, I mean, I was serious about it and I was thoughtful and I was careful. I didn't do anything stupid, and you have to approach it that way. I also came at a different time. I mean, I came at the start of an administration, and the prevailing view is, frankly, that every president should have an opportunity to appoint people he wants. And most senators honor that. You know, it's only the . . . .

END SIDE 1, TAPE 1. SEPTEMBER 8, 1995.

BEGIN SIDE 1, TAPE 2. SEPTEMBER 8, 1995.

This is Tape 2 of an interview by Brit Storey with Daniel P. Beard on September 8, 1995.

Storey: You were talking about the Senate and the confirmation. When you said you made appointments, was that with committee members only? Was that with senators in general? How did that work the way you did it?

Beard: You make appointments to see only the members of the committee that are going to be confirming you, or, you make appointments with other senators who may be interested in you or the subject matter. Sometimes there are senators who are very interested in the program, but they're not on the committee, and as a matter of courtesy, you're just going up to talk to them.

Storey: Did you make any like that?

Beard: Not that I remember. I mean, I didn't do all that many because most of them said, "Look, I already know you." I mean, they're busy to begin with, and then you sort of want to lope in there and have this sort of ten or fifteen minute softball discussion with them, and it's not like you're the only nominee. I mean, there was all the Assistant secretaries, the solicitor, the head of the Fish and Wildlife, BLM [Bureau of Land Management], Reclamation. You know, there were a lot of people at that time who were in the confirmation process, and that's just the Interior Department! Then there's everybody else. There's EPA [Environmental Protection Agency], and Labor, and you know. So senators are just faced with this *huge*—a large number of requests to have these courtesy visits. And they frankly don't do a lot of them. They only do the ones that are sort of really important to their state, or to them personally, or because they sit on a particular committee or subcommittee, they do them. So for the most part, I didn't have to do that many. I don't really remember how many I did.

### Oral History Interview at University of California, Berkeley

- Storey: I think I recall that you did an oral history interview with the University of California at Berkeley. (Beard: Yes.) On what topics?
- Beard: On the legislative history of the Central Valley Project Improvement Act.
- Storey: And that was passed in?
- Beard: In 1992.
- Storey: So we don't particularly need to pursue Central Valley. Is there anything that you *would* like to talk about, about the Central Valley Project in particular?

### Reclamation Is Several Entities

- Beard: No. I think that it's . . . . (sigh) It's interesting, because it really gets back to "What is Reclamation?" Reclamation really isn't one system. It's really about four or five separate entities, all of which fall under sort of one rubric of the Bureau of Reclamation.

The Central Valley Project is, in and of itself, one piece of Reclamation, and it's separate, distinct, and highly unique. And unfortunately, it has a long history of dominating the Reclamation program. And by that I mean that when the Congress or the public views a particular problem, like acreage limitations is a good example, the worst abuses are in California, and so they try to craft a solution that deals with California and impose it upon everybody else, and of course it doesn't work, because everybody else is different than California. California, in and of itself, is different too, because the CVP is not *one* project, it's several projects. It's M&I water contractors, it's water to small farms in the Sacramento Valley, which are *very* different than the *very* large land holdings on the west side of the San Joaquin Valley, and the east side of the San Joaquin Valley is totally different too.

So we've always had this problem in Reclamation, that when we've tried to address problems, we always looked to Westlands or San Luis Unit as sort of the worst abuses or the classic example of the problem, but in actual fact, that's probably the most unique (chuckles) case. And we always sort of craft solutions to deal with that problem, and then we impose it on everybody else. And everybody else is totally different. I have always sort of viewed Central Valley Project as one part of Reclamation. Eastern Washington and Arizona are somewhat similar in my mind, in a perception sense, in the politics. They're sort of another part of Reclamation. The M&I systems that we serve are sort of another part of the system. The Great Plains and some of the intermountain areas are a completely different system, and then I think the Colorado River System is also different and unique. So we have sort of, in my view, I've always sort of wrestled with this. I've always thought of it as five different systems, sort of all operating under one rubric. And I think you have

to think of it in that way.

The Central Valley is just so unique, the politics are the most difficult, the most challenging, you know, they're the most everything. I mean, the most money is spent by those folks, the pressure is the greatest, and all that kind of stuff. So the Central Valley Project, if you don't understand it, and you're in this job, you got trouble, and you're going to have trouble, because you are going to step on your toes. I mean, there's just no doubt about it. If you think, "Oh, I'm going to go do this, and that's a good idea and people will like that," well, you'll find out the people *don't* like it. And you say to yourself, "Gee, I thought I was helping the agricultural folks," for example. Well, you'll find out that you helped the wrong group. You help one group, and it pisses off a whole bunch of other people. And not only that, you've made the environmentalists mad, and the environmentalists have access to the press and the media, and so you're going to get clobbered in the press. And you're going to say, "Hey, what am I doing here?! I thought I was doing something that was helpful."

Now that's different than Arizona where the media tends to be dominated, or the political leadership and the agricultural community are sort of together, and they're sort of linked with the media, so you suddenly do something there and you have sort of a direct linkage. But it's really different in California (sigh). So I think the Central Valley Project to me, most of my time in the Interior Department before, and on the committee, was spent with the Central Valley Project and California water issues. I was forever grateful to Betsy Rieke when she came in and said, "I want to work on the California stuff." And I said, "Great," because frankly, I was tired of working on it. I had worked on it for the previous eight years with George Miller, I was viewed as, one . . . . You know, I had a reputation, and I was viewed as somebody who was not a neutral broker, and I think that's true, I wasn't, I freely admit it. And so I was really glad that she took that over and worked on it, and it freed me up to go off and do other things.

### **Animas-La Plata Project**

- Storey: What about Animas-La Plata, sort of the last remaining, unbuilt, big, authorized Project. What is your thinking on it right now?
- Beard: I don't know, I don't give it a lot of thought, frankly. I mean, the Congress wrestled with this issue when it authorized the Project in 1988. The Ute Indian Water Rights Settlement Act went through then. And the Congress knew exactly what it was doing. I mean, they had this big argument, big debate, and the answer was, "You're telling us to go out and build a project that's uneconomic." And the answer is, "Yeah, it is." And the answer from the Congress was, "Yes, we know that, but we still want you to do it, and the reason we want you to do it is because it's part of an Indian water rights settlement. And it's in the public interest to go ahead with the whole settlement as opposed to just the project."

So I sort of find it kind of interesting now that everybody comes along and sort of says, “Whoa, isn’t this terrible?! We’re wasting money by building this project.” And I sort of sit there and say, “Yeah, what’s the news here? Everybody knows it.” It’s sort of more interesting than that, we’re going to build this reservoir, but we’re only going to fill it a third of the way. And because of the biological opinion on endangered species downstream from the dam, they’re not allowing any more diversions than would fill the reservoir a third of the way—I think 57,000 acre-feet, something like that. *And* the delivery systems that have been promised to the Indians are in Phase Two of the Project, and Phase Two is going to be paid for by the State of Colorado, and I don’t know of anybody that thinks that *that* is actually going to go through.

So I get very frustrated, frankly, in a lot of these debates about some of these older projects, where everybody comes along and says, “Why, isn’t this horrible?” And you go, “Look, what’s new here? This is an issue that’s been debated over and over and over and over again.” Nothing’s new. I mean, there is nothing new. The sponsors try to make it economic, say, “Oh, this is a good investment,” and the answer is, “It isn’t.” But that isn’t the issue here. The issue is, there were potential lawsuits out there which would have had the effect of taking water away from non-Indians. And, in a political world, that’s unacceptable. And in the words of S.I. Hayakawa, talking about the Panama Canal, “We stole it fair and square.” Well, you know, the water was taken from the Indians many years ago—not fair and square, certainly, but it was taken, and given to the non-Indians. And now the Indians come back with a superior legal position, and everybody goes, “Oh, well, we can’t give it back to them. You can’t take it away from us and give it to them.”

So we’ve got to figure out something to do, and the answer is always the same—get Federal dollars. You come in and you *paper over* the problem with Federal dollars. And you do it by buying water, creating an economic development fund, building a project, whatever it is. I mean, that’s generally the way we’ve solved these things. As a general rule of thumb, every Indian water right settlement that I’ve ever seen runs about \$40 million, minimum. That’s essentially what’s in it in the way of—and some of them are higher. The settlement in Utah, for example, was about 200 million dollars.

In this case, it’s going to be even more if you build the Animas-La Plata Project and all the other elements. It’s going to cost 6, 7, 800 million dollars in the end. But those are choices that the Congress makes, and they’re choices that they *consciously* make. And then the question becomes, “Well the Congress made those choices.” Then the question becomes, “Well, what are *you* going to do about it?” What am *I*, as the commissioner, or what is the secretary going to do? Well, unless there’s an unusual set of circumstances, our answer is going to be, “Look, the Congress debated this, the Congress knew what it was doing, and the Congress said ‘do it.’” Our job is to implement the laws, not to sit around and say, “Oh, gee, let’s . . .” You do on occasion say, “No, we think that’s wrong and we’re going to go back.” But



the secretary's never gotten to that point. I mean, the secretary's always felt, "This is the settlement, I have a responsibility to tribal interests, I'm going to go ahead with it."

### Central Arizona Project

Storey: What about your current thinking on Central Arizona Project?

Beard: Haven't had to think a lot about it, which has been one of the really delightful things about this job. With a secretary from Arizona, and a solicitor from Arizona, and an assistant secretary from Arizona, this has not been a difficult issue for me. (laughs) I delegated it to others, and I've never really had to spend any time at all on it.

I have sort of personal views on it. It shows the real Achilles' heel of the Reclamation program: we design a solution to a problem and the problem no longer exists. I mean, Central Arizona Project is a solution to a problem which existed in the 1940s. Doesn't exist anymore, it's gone. I mean, the issue was, We need water to make sure that economic development can continue to proceed and provide water for agriculture. Who would have ever thought that we would finish the project and nobody needed water for agriculture—too expensive. And that the cities had alternative water supply sources which were more than adequate, assuming they managed their ground water sufficiently, then they have enough water. So who would have ever thought? Lo and behold, you didn't need it. Now you may need it in fifty years, but right now, they're not even taking their full entitlement. And you know, it takes so long to build these projects—well, at least it took so long to build the Central Arizona Project—that it really points out the difficulty that we have in the program where we've designed a set of solutions to a problem, and they take thirty years to build, and by the time you put them in place, the problem no longer exists. And the technology that you use is thirty-year-old technology. So by the time it begins to operate, it's out of date.

Storey: Didn't I hear somewhere that some of the water users declared bankruptcy? (Beard: Um-hmm.) But then said, "Oh, but we're protected in the use of the water under bankruptcy."

Beard: That's correct. This is the only case in the history of the Reclamation program that I know of where a water user group has declared bankruptcy. In the mid-'30s, there were a lot of districts that were threatening to declare bankruptcy, and that was the genesis, that was the driving force for the Reclamation Projects Act of 1939, which was essentially a way of adjusting the program so that you could let districts—you'd increase the subsidy to districts, decrease the price of water. But this is the only case in which a district actually—two districts have physically declared bankruptcy, and then gone into bankruptcy court. There's a huge controversy. There's a lot of legal precedents being set in this particular case, because they have a contract, and is that contract part of the value of the district? Is it one of the assets of the district? And there's all

kinds of issues. It's sort of a lawyer's delight. Too bad they don't need a lobbyist to work on an hourly basis on the issue! (laughter)

### Water Conservation

Storey: What about water conservation? We've talked about it a lot in the past. How's it proving out in your thinking?

Beard: I think in the end water conservation will . . . . Water conservation is not an end in and of itself, it's simply a means to an end. I think in the end water conservation will prove to be, I hope, one of the lasting things that I hope people will identify with me that I tried to initiate efforts to redirect policy so that we promote conservation.

I think there's a lot of opposition to it—some—from the agricultural community. But the funny part about it is that the largest, most sophisticated districts, ag[ricultural] districts, fully understand the need for conservation. You go to the Westlands Water District, they have the most efficient conservation program you've ever seen. They meter all water, delivery system is underground in pipes. They're delivering water to row crops using drip irrigation underground. I mean, you know, conservation—they have a conservation pricing policies—all of this stuff is there out of necessity. And it's out of necessity because they're the last to be added to the system, and they've had water shortages, and they've had to, in essence, deal with this problem of shortages. Almost every major city has conservation programs, contingency plans and conservation programs. So all the districts have it, and it's sort of a matter of routine. It's laughable that you wouldn't have one.

The problem comes in all the smaller districts who are more inefficient and are older and don't have as much money. They turn around and say, "Hey, we can't afford to do this. This is going to involve expenditures, and we don't have the money for it." But I think in the end . . . . I mean, what's the other alternative? Is anybody running around building dams? No. Is anybody running around authorizing construction of dams? No. So the traditional ways of "making water" that we've always had, which was to sink another groundwater well or build a reservoir, and then build a delivery system, those days are over. I mean, we're not going to do that anymore. And it may be that in twenty years the pendulum will swing back the other way and we *will* do it. But right now, in the foreseeable future, it doesn't appear that we're ever going to do that. So then the question becomes, "Well, what now?"

How do you solve the problem?" We have expanding populations in arid regions of the United States. I mean, Las Vegas, southern Nevada, is growing at a rate of 5,000-7,000 people *a month!* A month! And this is a region which has a fixed water supply from the Colorado River. What are you going to do about that? Well, the answer from some of the people who don't think about it is, "Well, you know, we ought to stop people from moving in there." Yeah, right! Well, that isn't going to work. So what *are* you going to

do? Well, the answer is, as usual, water flows uphill to money. We've got to start making more efficient use of our system, we've got to create new sources of water, which is why wastewater reclamation reuse is important, why conservation is important. We've got to change pricing policies, we've got to change institutional arrangements, we've got to promote water marketing and water transfers. I mean, all these things are part of . . . . The answer to our future water supply problems is not one thing, but it's a mosaic of things. It's a whole bunch of things which together lead to a solution. I think *the* fundamental, the foundation for all of that taking place, is conservation. We cannot continue to waste water, we cannot continue to use water inefficiently. Now that's very hard for us in Reclamation, frankly, because our whole program is based on a faulty premise, and that faulty premise is, we give people subsidized water. We give people water at below market rates—significantly below market rates. And we have proved that if you give people water for nothing, they'll waste it. *And they will!* Because if it doesn't mean anything to them, if it isn't at all costly, they'll waste it, and they do.

So here we are, running along, trying to paper over, trying to promote conservation with one hand, but on the other hand, we're turning around and *handing* people water for absolutely nothing, at highly subsidized rates. So at some point, you've got to address this conflict, but fortunately, the amount of water supplied by Reclamation and the Federal government is so small, in comparison to the total amount supplied nationwide, that changes are going to take place in other arenas that will just sort of force our program along. What'll probably happen is, our program will be directed by Clean Water Act policies, or land use policies, or some other policies in some other arena, and it will indirectly affect *our* program.

### Title Transfer

Storey: What's your current thinking on title transfer issues?

Beard: Well, I have been a big supporter of title transfer, I think it makes a lot of sense. I think it makes sense from Reclamation's point of view. I think Reclamation . . . . In Reclamation we got kind of like Rip van Winkle. We went to sleep somewhere in the late '70s and we kind of slept there for a dozen or more years. I don't think we had much direction to the program. And a lot of that was because we didn't have a commissioner for a long time, you know. I think Bob Broadbent served until 1983 or '84, and then there was really acting people for two years or so, and then Dale Duvall came in, and Dale's a wonderful accountant, but didn't know anything about water. So you really suffered from [lack of] leadership there for quite a while. But I think that we went to sleep because the program changed underneath us, and we as an organization didn't change.

And title transfer, to me, is just another example of the changes that are taking place around us, and that we've got to wake up to the changes. There is no reason in the world why we as a Federal agency have to own and operate all

the facilities that we do. I mean, we operate facilities, we *own* facilities, we have title to facilities, which are *local* facilities.

I mean, the water supply system for Norman, Oklahoma, is a Reclamation reservoir, we own it. Now the City of Norman, Oklahoma, operates it, and they think it's theirs, and in essence, it probably is. But there's no reason why we have to retain ownership—title. Certainly it's not in the Federal government's best interest to do so, because if something happens there, the City of Norman will call us up and say, "Hey, you've got a problem here, come fix your reservoir." So I think it's in Reclamation's best interest to get rid of, get out of, as many of those situations where we operate local facilities or lands which are really local in nature, and either give them to units of local government or other Federal agencies or anybody else who'll take them, because we have shortages in personnel, and budgets, and it's in our interest to try to get others to take on these problems. It just doesn't make sense to me, that we would continue to have ownership of certain facilities. Most of the facilities we have are local in nature.

Now, we have a lot of facilities, it's in the Federal government's best interest to own and operate those facilities—or at least own them, continue to retain title to them. And we ought to get out of the ones that it makes no sense for us to be involved in, and we ought to concentrate our resources and manpower on those facilities where it's important for us to be involved in them.

And so in that sense, title transfer to me makes eminent sense, and I have tried my damndest to move it along as best that I can, and I don't know how successful it will be. And the reason is, I'm at a loss to think of what the advantages are to a *local* government of getting rid of the Federal government as an owner. The only advantage that I can think of is that we get out of their hair. In other words, we are no longer involved, and there's fewer paperwork requirements and approval requirements and sort of bureaucracy involved. But other than that, there aren't any advantages, because if something goes wrong out there, if there's an earthquake or a flood or a drought or whatever, something happens to that facility, as it is now, the locals can come forward and say, "Hey, Mr. Commissioner, you got a problem out here, you better fix it, and you better pay for it too," and they usually do. But, if they owned it, one of the terms and conditions we would have for transfer is, "It's yours now. *You* fix it if something goes wrong." And I think many districts are kind of waking up to this problem.

Some of the initial enthusiasm about title transfer is going to diminish. But I think there still will be some facilities where people want to transfer them. And it's right that we do so. I mean, I just think we ought to get out of it. I mean, we own title to drainage ditches and distribution systems and other things. It doesn't make any sense for us to be involved in that. (Storey: Um-hmm.) It's a local problem, so the locals ought to handle it.

## How Western Water Law Will Evolve

Storey: When we were talking about water conservation, you were talking about water transfers and efficiencies. Western water law is sort of a quagmire, with all kinds of variation among the states, all kinds of little quirks, like if you conserve water here, the water flows down the water rights chain to a junior irrigator, rather than the capability of redirecting it, and so on. Have you had any thoughts about how that's going to actually be changed?

Beard: No. I mean, I've never wasted a nanosecond on worrying about those kinds of things, because frankly, it doesn't do a lot of good to worry about it, because most Western water law is never going to *be* changed. You know, it's so controversial and so sanctimonious, such a hot political button, that it'll never be changed. It has, in fact, *been* changed, but always indirectly: the Endangered Species Act, the Clean Water Act, the Safe Drinking . . . .

END SIDE 1, TAPE 2. SEPTEMBER 8, 1995.  
BEGIN SIDE 2, TAPE 2. SEPTEMBER 8, 1995.

Beard: These other laws that we have passed *have* indirectly changed western water law. (Storey: The Federal laws, like NEPA [National Environmental Policy Act]) The Federal laws and even state laws. So they have in essence changed the Western water laws, without changing the laws themselves—indirectly they've changed them. And that's an important distinction. It's an important development. And I think most people who are in the water business in the West would agree with that.

I mean, they understand that that's been the case, but the politicians who work with them still give the same old speeches about how, you know, the glories of Western water law. But in fact, everybody knows the laws have been changed, but they've never been changed directly, they've been changed indirectly. So I don't really worry, I don't really spend a lot of time on it. It's one of those things where it's so filled with hypocrisy that I get frustrated about it. When I worked for Congressman [George] Miller, I was—and I still am, frankly—a big supporter of the concept of deferring to state water law. But the reason, when I worked for Congressman Miller, I did so, was that California had a very progressive law. And if California wanted to do something . . . . If Wyoming or Colorado wants to dry up their streams in the middle of August and ruin trout fishery and impact negatively tourism, so that they can grow another crop of hay in a little field over here, I guess that's their right. If they want to approach management of the resources in that kind of a way, then let them go ahead.

But if California wants to impose requirements that leave water in the stream to protect the fishery and the tourism industry, which is a hell of a lot bigger than the hay industry, then they ought to have the right to do so. And what I always found and was very frustrated at in the Congress was that many of the people who profess great support for the independence of Western water

law was, they were all for “Don’t touch our water law, and by the way, I don’t want California doing X-Y-Z.” And that’s what really used to frustrate me. It really grated on me that many people in the Senate, particularly, would criticize California for doing this, that, or the other thing. Well, you either believe in it or you don’t believe in it. And I found that there was a lot of duplicity in people’s endorsements of it, but I’ve never spent a lot of time worrying about it, it’s not something that I can do anything about.

Storey: Is there anything else you’d like to talk about?

### “What Was Your Greatest Accomplishment?”

Beard: Well, I think that from a personal sense, yeah, I think there’s a couple of things. One is, that a reporter asked me the other day—I don’t know if I told you this before—but a reporter asked me the other day, “What was your greatest accomplishment?” and I said, “Easy—all of the people who supported me to get this job are still my friends. And second of all, I still sleep at night.” And those two things alone, I think are the things that I’m probably the most proud of, is that . . . I kind of talked to you about how I got this job, and how *anybody* gets this job. You’ve got to go to your friends and you’ve got to ask them for their support, and there is a tendency on the part of people when they get these jobs, is that they then tend to abandon the people who helped get them here. And frankly, I didn’t. And I’m very proud of the fact that the very people who helped me get the job are still my friends, and don’t want me to leave. And I’m very proud of that, because it really means that I didn’t abandon those who helped me get this job. I feel very good about that.

And the second thing I feel very good about is, I sleep at night. And by that I mean I didn’t abandon my principles. I feel that I conducted myself when I was here in a way where I was supportive of the principles that I personally believed in, and that I didn’t abandon those principles. And believe me, in the Clinton Administration, that ain’t been easy. That’s been a *very* difficult job. And you’re always (big sigh) tempted, or placed in the situation of abandoning the principles that you really believe in, when you’re in these jobs.

And I think Secretary Babbitt is a good example: many of the people that helped him get this job have turned on him. They’ve said he’s turned on *them*, he’s abandoned the principles that he originally stood for. He’s compromised and he’s been criticized a lot for that. And yet I never felt that the things that I personally believed in, I’ve never backed away from, and I’m proud that I didn’t. And if people don’t like it, well, you know, they’ll have a new commissioner and I wish him luck. And I wish them luck, but you know, I believed in certain things, and I still believe in those things, and I feel good that I advocated those things, and I’ve never turned on them. And that to me is fundamentally important, because you ultimately have to live with yourself.

Storey: And what were those things?

Beard: Well, I think that I really have wanted to operate, conduct myself in an open manner, in a manner in which you debate and discuss with your coworkers, options and new approaches in a much more collegial atmosphere. I have been an advocate on behalf of operating our Projects in a more environmentally sensitive manner. I have been an advocate on behalf of solving Indian water right problems, and being an advocate on behalf of tribes and tribal water development and use. I have been an advocate for reduced Federal spending. I'm *for* Federal spending, but I'm *against wasteful* government spending, and I think I've . . . . The budget requests I've sent up have been smaller ever year, and I'm proud of that. I'm proud that we can operate an agency at less cost year after year.

Now, the Congress adds money to my budget, oddly enough, but those are just sort of things that frankly I really believe in the future, as I've talked before, that we've got to have a different mix of solutions to solve our problems, a different mix of *approaches* to solve our problems. And I've tried to advocate and promote those alternative approaches. And so in that sense I feel very good about it.

I guess if there's any disappointment that I have, I have felt all along that I think the biggest disappointment I've felt is our failure to promote and appoint women to high-level positions in the organization. We are still an organization that is dominated by a male culture. And that's been very frustrating for me, personally. When I was with the committee, I was very proud of the fact that half of the professional staff that I had, legislative staff, were women, and that every job I've ever had, I have always had about half of the professionals that I've used, or legislative people that I used were women. And I really think that we have made some significant inroads in appointing four or five Area managers who are women, but I was disappointed that I was never able to appoint a woman as a regional director and appoint a woman for some of our senior operational positions—more women than we've promoted/appointed. I feel disappointed about that, and frustrated a little bit. But, when I was at the area managers' meeting and we had area managers and regional directors and program heads and stuff, as I looked around the room, there were a lot more women there than when I first went. At least I've made a difference.

One other thing to say is that I came here to make a difference, and I think that I have, and that's really, fundamentally, to me, the most important thing in the end—you make a difference.

### **Eluid Martinez**

Storey: Have you met with Eluid Martinez yet?

Beard: Sure.

Storey: Can you talk about your impressions of him?

Beard: Yeah, he's a nice guy. I don't think he has any appreciation for the challenge and the difficulty of the job, but that's just because he was in New Mexico and he served in New Mexico State government all his life, and then he retired. And so he's been retired for six months, and I sort of told him, "You've got to get prepared. You don't understand, this job is like taking a drink of water out of a fire hydrant." I mean, it just comes at you, and so much comes at you, that you can't deal with it all. And you have to somehow get your arms around only a few things, and deal with those few things, and forget all the rest. I mean, you just can't deal with it. And that's why I believe so strongly in delegation, because *I* can't deal with it all, and I've got to get somebody who can, and I'd just as soon delegate that, and give people general principals and guidelines for making decisions, and then encourage them to make decisions, and then the job's easier for me.

And I think that Eluid certainly has the experience and the knowledge and the expertise to handle the job. I think he'll do a good job, I think he's going to have to meet a lot of people and learn a lot about water issues beyond New Mexico. It's very difficult. Understanding and appreciating the problems in Idaho and California and Oregon and Washington and North Dakota . . . . They're all different. And you've got to grapple with that problem. And he's got a steep learning curve, so I wish him the best. And I'm going to try in any way that I can to help him, but ultimately it's your call, you have to do it.

Storey: It's his call.

Beard: It's his call, I mean, yeah. But whoever the person is in charge.

Storey: Yeah. Anything else you want to talk about?

Beard: Nope, that's it.

Storey: Well, I really appreciate it. I appreciate the support you've given me, and the time that you've devoted to this, because I know there aren't very many people who've gotten this much time one-on-one with you, for this kind of thing. And I want to ask you again whether or not you're willing for the material on these tapes and the resulting transcripts to be opened to researchers six months after you leave Reclamation, which will be tomorrow.

Beard: That's fine, yes.

Storey: Okay, thank you.

END SIDE 2, TAPE 2. SEPTEMBER 8, 1995.  
BEGIN SIDE1, TAPE1. OCTOBER 28, 1997.

Storey: This is Brit Allan Storey, Senior Historian of the Bureau of Reclamation, interviewing Daniel P. Beard, former commissioner of the Bureau of



Reclamation, on October 28, 1997, at about three o'clock in the afternoon at the Cosmos Club in Washington, D.C. This is tape one.

The first thing I'd like to ask is what you've been doing since you retired as commissioner. What have you been doing in the last couple of years here?

### **Founds Freshman-Beard Incorporated in 1995**

Beard: Well, I left as Commissioner of the Bureau of Reclamation in mid-September of 1995, and I went into business with a friend of mine, John Freshman, and we formed a company called Freshman-Beard, Incorporated, really a lobbying and public policy advocacy organization. The intent of our business arrangement was to develop clients who we could assist in Washington in getting things done in the long tradition of lobbying and other activity by consultants and lawyers in Washington, D.C.

### **Decided He Didn't Want to Do That Kind of Work**

I did that for about six months, and I really concluded at the end of five months that that kind of work really wasn't for me. It certainly didn't have anything to do with my business arrangement, my partners, the clients that I developed, but I really felt that the kind of *work* that I was doing was really not work that I wanted to do at this stage of my life, and I just really felt—in many respects I felt like a square peg in a round hole. I mean, it just wasn't a good fit. But if I'm good at anything, I'm good at discovering what I *don't* like doing. So that was really what happened for the first six months.

### **Regional Vice President of the National Audubon Society in the Rocky Mountain Region**

At the end of that period, a very old and dear friend of mine, John Flicker, called me and we were talking about a particular subject, and he asked me what I was doing, and if I was enjoying myself, and what I would be doing. John had, about fourteen months before that time, been hired as the president and chief executive officer of the National Audubon Society. I told him that I was thinking of doing something different, I wasn't quite sure. He immediately said, "Well, why don't you come to work for us," and I was intrigued by the idea.

After a number of discussions with him, I was hired as the regional vice president for the National Audubon Society in the Rocky Mountain Region, and stationed and had an office in Boulder, Colorado. So, effective April 2nd of 1996, I left Washington and went to Boulder, Colorado, and took up residence in the job as the regional vice president for the National Audubon Society.

In that position I was responsible for assisting the society in getting its work done in the states of Idaho, Montana, Wyoming, Colorado, Utah, and Arizona—it's a six-state region. The work there was to assist chapters in getting activities undertaken and projects completed that they were involved in, and then also working on behalf of the national organization to try to do what it is that they wanted to do.

### **Not Using Full Talents and There Was a Lot of Travel**

I had that job for another—I really was in that job, and in September of 1996, it became *obvious* to me that this position really—you know, I wasn't using all of my talents and capabilities. There was an *awful* lot of travel in the job, and *all* the travel was weekend travel. In other words, you'd leave on Friday, get back on Sunday afternoon. Because it's a volunteer organization, they hold meetings on weekends, because it's the only time people can get off their jobs.

### **Senior Vice President for Public Policy at the Audubon Society in Washington, D.C.**

I really missed sort of the advocacy work and public policy, the sort of things that I'd been involved in in Washington over a career. So I met with Mr. Flicker, John Flicker, and we talked. I really told him that it was a great job, living in Boulder, a nice place. My family had sold my house here, and we'd moved, and we were there. But I really didn't think that it was the right fit. We talked about it and he *agreed* with me. He said that what he wanted to do, where he wanted me more than anyplace is he wanted me to take over responsibility for running the Washington office and being in charge of all of our public policy programs.

### **Manages Washington Office of the Audubon Society as Well as Lobbying and Public Policy**

So, in December of 1996, I was officially appointed senior vice president for the society, as the senior vice president for public policy. I moved from Boulder back to the Washington, D.C. area. In my new capacity, which I've been in now for just about a year, my new capacity, I'm *responsible* for managing the Washington office, which includes our lobbying and public policy advocacy work, and I oversee an office we have in Miami that works on restoration of the Everglades, and an office in Tallahassee, and another office in Boulder. The office in Boulder works on human population and habitat issues.

So it's a pretty broad set of responsibilities, but it focuses almost exclusively on public policy, advocacy kinds of things that I had been involved in during my career as a congressional staff person, and also with the Bureau and the Department. So I'm very happy doing it. I was very happy to get back to Washington. I really feel that Boulder's a nice place to live, but it just was

not me. It just is not the kind of thing that I like *doing*. It's not the kind of work that I'm particularly good at. I'm much better doing this, and I enjoy it much more, and it gives me an opportunity to be involved in a number of the issues that I really enjoy.

### **One Issue of Interest to the Audubon Society Is the Garrison Project in North Dakota**

It's a very broad set of responsibilities, too. We are active on agricultural policy; wetlands; national wildlife refuges; bird conservation in general; trade; human population; restoration of specific and protection of specific areas like the Everglades; the Platte River issues; Garrison Project in North Dakota, which is a Bureau project. So we're very active in water resources and land resource activities.

I also had to wear another hat, which is I'm a member of the senior management team for the organization. We don't have a chief operating officer in our organization, but instead the president and the senior vice presidents meet on a monthly basis to really hammer out *policy* and *management* issues for the whole organization, and I'm a member of that team. That's very satisfying to be able to work with *addressing* management issues in a larger organization, which I'm used to doing, but not have all the day-to-day responsibilities, which is the wonderful part. I can still dabble in things that I enjoy, but I don't have as much responsibility as I used to have with the Bureau.

Storey: So you've spent about a year and a half now with the Audubon Society. What kinds of new perspectives have you developed regarding Reclamation because of that involvement, or have you?

Beard: Well, yeah, the answer is, sure, I have a lot of different perspectives about it. I think when you leave an organization, you get a sense of detachment from it and you also have a sense of appreciation for things that you didn't quite have when you were there. It's very difficult to explain to people the *challenge* of being the leader of a large organization like that. It's very hard to explain that, because there are so many pressures on you that it's almost impossible to explain to people how *difficult* those pressures are to handle.

**“ . . . being the Commissioner of the Bureau of Reclamation . . . it's an awful lot like trying to take a drink of water out of a fire hydrant. . . . ”**

I often described the job of being the Commissioner of the Bureau of Reclamation, or the director of BLM [Bureau of Land Management], or any organization like that, I often describe it as it's an awful lot like trying to take a drink of water out of a fire hydrant. Everything is coming at you so fast and there is so much of it coming at you, that unless you're adept at and light on your feet, and able to move from issue to issue, and still keep pointed in the right direction, you'll just simply just get pushed aside.

### Would Have Liked to Do More but Is Proud of What Was Accomplished at Reclamation

So, as I look back on it, there's a lot of lessons and appreciations I have, but I still have a very *deep* appreciation for the organization, a *deep* sense of loyalty and *compassion* for the people that are there, and a genuine sense of pride for what we were able to accomplish together. It's odd, I have some regrets. I mean, there are some things that I *wish* that I had done better, but, on the whole, I'm very proud of what I did, and I have a sense of genuine accomplishment, and I sleep well at nights, which is sort of the ultimate test. If you lay there, toss and turn, and say, "I should have done this," and, "I should have done that," I mean, it will drive you crazy. But I have a genuine sense of appreciation for, and *pride* in, what I did, what I was able to accomplish, and there's very little that I would change. Hindsight is always 100 percent. It's always easier to sort of figure out, "Well, I should have done this, and I should have done that." I don't spend a lot of time doing that. Genuine, there are some really difficult things that I wish I had done better, but I'm really very proud of what we were able to accomplish.

### Audubon Society Doesn't Have Much Relationship to Reclamation

Storey: Now that you're at the Audubon Society, what kind of interrelationships does that group have with Reclamation and its projects?

Beard: Very little. Well, I shouldn't say that. We have a relationship, but it is not as intimate and direct as we do with other agencies. In the Audubon Society, at least, we spend an awful lot of our time working with and trying to assist the U.S. Fish and Wildlife Service. They're probably the agency we have more to do with than anything else. We have only intersected with Reclamation in a few cases where we are opposed to what it is Reclamation wants to do, such as activities surrounding the Garrison Project in North Dakota, operation of facilities on the Platte River, some issues related to the Colorado River.

But water resources, at least Western water resource problems, have not been a major focus of the National Audubon Society, *primarily* because we haven't had the kind of people, staff and members, who are deeply committed to those issues to *force* us to hire staff to address those issues. It hasn't been a high priority, primarily because we've just had other issues of habitat, preservation, and protection, which we've spent a lot of time on.

Storey: So a lot of your attention is in the eastern United States?

### Works on Issues All over the United States

Beard: One of the fortunate things is right now that I do get to work on issues all around the United States. I get to work on issues in Florida, the East Coast, and the South, the Midwest, the Southwest, and the West. It's really interesting to me. And Alaska, too. We do a lot of work in Alaska as well.

Yeah, that's sort of one of the nice things about the organization is that you aren't sort of geographically limited, and you do have an opportunity to work on issues throughout the United States.

Storey: For instance, the Sierra Club recently has said that Reclamation should tear down Glen Canyon. Audubon is generally known as an environmental group. Have they been pulled into that discussion and controversy?

### Beard on Removing Glen Canyon Dam

Beard: No, Audubon has *not*; I have. I'm not sure that the Sierra Club has said pull it down, I think that Sierra Club has said we should *study* draining the reservoir. But I don't think they would object to tearing it down, certainly.

No, Audubon has *not* been pulled into that; *I have* been pulled into it. I have decided—I really decided when I left Reclamation that the best thing that I could do for my successor would be to keep my mouth shut, basically. I had chosen to really go into lobbying and representing people in Washington, and that's not a profession in which you could, you should, speak out publicly. So I really kept a very low profile, and then when I was with Audubon in Boulder, Colorado, it was very difficult for me to speak out. It was only after I came back from Boulder last December that I was in a position to be able to speak out. I have really sort of felt an obligation to not interject myself into matters related to the agency until sort of the two-year period of time when, under the Ethics Act, you really sort of don't come back for the first couple of years. I'm willing to honor that. I don't have any problem with that. But I also really felt that my successor really should have an opportunity to put his own mark on the agency and approach things in a way that he wanted to approach things. I think that's fair, and I think that everybody ought to be given an opportunity. I certainly appreciated the opportunity, that my predecessor didn't spend his time chirping about what I was doing, and why I was doing that, and should have been doing this. It's very irritating, and, frankly, not terribly helpful either.

So I've really tried to keep a low profile on issues directly related to the Bureau of Reclamation, and I've not spoken out, except for a very few issues. One of those issues that I felt compelled to speak out on was the issue of Glen Canyon. The Sierra Club, I think the resolution did call for draining the reservoir, drawing down the reservoir, and draining it, and getting rid of Glen Canyon Dam.

When I first heard about this issue, I had the same reaction I think that most Americans have when they hear about it. "Are you nuts?" is basically what people say. I think I had the same reaction. Then I began to think about it, and I began to say to myself, "What's wrong with that? Why shouldn't we begin to think about that issue?" And the more I thought about it, the more I really became convinced that while it is not a politically feasible idea at the present time, that I could contribute something by speaking out in favor of

studying the issue. I don't know whether it's the right thing to do or not, but it makes sense in my mind to study the issue, and we ought to look at what the implications are and what that means.

### **House Committees Decided to Have Hearings on the Issue of Glen Canyon Dam**

I really sort of crossed that threshold, and I received a call. The Sierra Club made this call, or passed this resolution, and then for some reason which escapes me, the House Resources Committee, the National Parks Subcommittee, and then later the Water Resources Committee, *both* said that they wanted to have hearings on this matter. I know that they held a hearing as a means by which they could publicly embarrass the Sierra Club, and they invited the president of the Sierra Club, and David Brower, and other officials to come, and then they would use it as a public opportunity to sort of pummel the advocates of this idea.

***"I think that it was a genuine blunder on the part of the committee. They took an issue that was buried on page eighty-four of the classified ads, and they promptly put it up on page one. . . ."***

*I think that it was a genuine blunder on the part of the committee. They took an issue that was buried on page eighty-four of the classified ads, and they promptly put it up on page one. So they held a hearing and they did the predictable, they castigated the advocates, and they beat them about the head and shoulders, and beat their own chest, and gave great speeches about "Water is life in the West," and all the other clichés you could think of. But the reality of what happened was that it blew up in their faces. It suddenly took this issue which was *dormant*, and really nobody was thinking about it, and they put it on the front page.*

### **Asked to Do an Op-ed Piece in the *New York Times* on the Issue of Glen Canyon Dam**

Then I got a call the day after the hearing. I guess the hearing was on a Thursday. I got a call the next week from the op-ed page of the editor of the *New York Times*, a woman by the name of Katie Roberts. She called me up and said, "Would you be willing to write an op-ed piece about these hearings and this issue?"

And, I said, "Yes, but," and we went through sort of what that would entail, and then as I was hanging up, I said, "I've really got to ask a question, and the question really is, 'How on earth did you ever find this issue?'" The op-ed page of the *New York Times* is worried about Bosnia, and war, and peace, and the economy, and all these other big issues. I said, "How on *earth* did you ever find this issue? This is one of the more obtuse and obscure issues."

She said, “Well, you’re not going to believe this, but my father was a Bureau of Reclamation engineer, and he worked—“ I don’t know his name. But anyway, she said, “My father was an engineer, and he worked for the Bureau, and I grew up as a Bureau brat. I grew up living near—he worked on Trinity Dam, and then later he worked on Coachella Canal, and some other facilities.” So she said, “I grew up with all these issues all around my dinner table, and then I went away to college.” She said, “I thought that this is what you did with rivers, and then I went away to college and learned that there was a whole bunch of people who felt rather differently.” She said, “I’ve always been intrigued by these issues and interested in them, largely because I sort of grew up with them.” She said, “When I saw the reference to this hearing,” she said, “I thought that would be a really good idea to write an op-ed piece about that, and I heard some of the things that you’ve said, so I called.”

I said, “Well, that’s great,” and I wrote an op-ed piece which was published the end of September. In the op-ed piece, I basically said that the committee set out to *embarrass* the advocates of this proposal, and, in so doing, they have embarrassed themselves. What they’ve done is hand to the advocates of this proposal credibility and legitimacy. I also said that I really felt that this was a subject which we, as Americans, really *ought* to consider. It is not an issue which we should reject out of hand, and I thought made, frankly, a very compelling case for studying the issue.

I’m sure as a result of the decision to hold those hearings, more people read the *New York Times* op-ed piece than I’m sure ever heard of the hearings and all of the terrible things that the congressman said to these advocates. They’ve *handed* to the other side, I think, a strategic advantage which they didn’t have before, and they gave *me* an opportunity to have an op-ed piece published in the *New York Times*, which it’s not often you get an opportunity to do that, so . . .

Storey: One of the other things you’ve done recently is be interviewed, I believe, for *Cadillac Desert*.

Beard: Right.

### **Interviewed for the Television Serialization of *Cadillac Desert***

Storey: The series on television. Could you tell me about that and the kinds of things you discussed, and how much time they actually filmed you, and how much time actually went in the series, and so on, those kinds of things? Did they pick the things that you thought were the logical things to pick? Those *kinds* of issues.

### **Became Interested in People’s Perceptions as Opposed to the Reality of What He Was Trying to Accomplish**

Beard: Well, it really goes back to when I was the Bureau. When I was with the Bureau, I really feel one of the things that I was fascinated about, or one of the things I've been fascinated about, I put it in the category of the education of Dan Beard, I became fascinated, when I was with the Bureau, about perceptions, and particularly people's perceptions about individuals and issues. Oftentimes it isn't so much what you say about an issue, but it's what people *think* you say that's really important. I became fascinated, and I began to appreciate, the longer I was with the Bureau, the concept of being a spokesman, a spokesman for a *philosophy* or a particular approach to a problem.

I really felt that during my years, I went to the Bureau as I've said in earlier interviews, I went there on a mission. I went there with one specific mission in mind, and I was going to achieve that. I had a certain sense of freedom that most people don't have, because I didn't give a damn. If they fired me, that was fine, but I was there with one mission in mind. I also am by nature a risk-taker, and I had worked for people who had spoken out, and I really felt no hesitation about speaking out on any issue I felt was sort of relevant to what it is we were trying to do. I also felt that we ought—I still feel today we need to reform the system. We need to do different things and take different approaches. I really wanted to try to advocate and speak to issues like that. I wanted to become known as somebody who would do things, but also was willing to take risks and speak out for a particular point of view and philosophy.

The more I thought about this, it's a question of the signal that you send to people. It's what people *think* you're doing, not necessarily *what* you're doing, but just what they *think* you're doing. That's why I spent so much time when I was with the Bureau trying to promote the concept of, "We're a new agency, we're a different agency, we have a different attitude. We want to become the premier water management agency in the world." People want to feel a sense of pride of what it is they're doing. So I became very fascinated by, and I still am, about perceptions and creating a sense of direction and perspective on things.

### **Developed a Float Trip down the Colorado River Modeled on John McPhee's Encounters with the Archdruid**

When I was with the Bureau and was commissioner, I remembered that in the 1970s there was a book written by John McPhee called *Encounters with the Archdruid*, and it was a book about David Brower and Floyd Dominy floating down the Colorado River with another gentleman who was a geologist. The three of them went down the Colorado River on a float trip, and the whole book was about their perspective of the same river and the same geologic structures and the different way that they looked at it. The geologists looked at it as here is the one place in the world where you can see the history of mankind, how fascinating it is. Then Floyd Dominy looks at it and says, "Well, obviously, this is a *great* place for a dam, and let me tell you, I'd put



one over there, and over there, and over there.” Then you see David Brower, who has a completely different viewpoint, says that “This is one of God’s great creations, and we ought to save it for the following reasons.” It was a fascinating book, and I read it as a graduate student and it made an impression on me.

I got to thinking about it when I was with the Bureau and I thought, you know, it was sort of coming up on, I think, the twenty-fifth anniversary, or the twentieth anniversary, and so I put together a trip down the Colorado. We hired an outfitter, and then I put together a trip, and I had water users, a lawyer with some of the water users, I had some consultants, I had environmentalists, I had Farrell Secakuku, who’s chairman of the Hopi Tribe. I had a whole bunch of people. I guess we took about twenty people, twenty-five people down [the Colorado River]. Bureau employees came, too. Mike Ryan came, Charlie Calhoun, and a number of others, Felix Cook. We floated down. It was like a four- or five-day trip. What we did is we’d float for a while and then stop, and then we’d talk about issues. We’d talk about the Endangered Species Act, water development, and water management. It was really a fascinating trip.

### **Filming for *Cadillac Desert* During the Float Trip**

But when I decided to do this, my press secretary at the time, Lisa Guy, I said to her, “It actually would make some sense to have some press people come along and write this up.” As she began to poke around, she found out from Mark Reisner, who’d written *Cadillac Desert*, that he was making a film series *filming Cadillac Desert*.

END SIDE 1, TAPE 1. OCTOBER 28, 1997.

BEGIN SIDE 2, TAPE 1. OCTOBER 28, 1997.

Beard: Mark Reisner asked for an opportunity to accompany us on the trip and film it. I said, “Great. I think it’s terrific.”

So we had a reporter from the *Los Angeles Times*, and Mark Reisner came, and the producer or the editor and director and writer for the three of the four segments in the *Cadillac Desert* series. The man who wrote those and then did the filming is a gentleman by the name of Jon, J-O-N, Else, E-L-S-E.

Storey: From Stanford, I believe.

Beard: He’s from Stanford, the communications department. He also did *Eyes on the Prize*, which is the history of the Civil Rights Movement, a *very* compelling documentary. It was really good. Jon filmed it and wrote it, and did a really great job. So they came along. Oh, they filmed, *God*, they filmed hours of discussions, and running the rapids, and they did everything. They filmed—it’s like most filming, they filmed ten-, twenty hours. I couldn’t tell you how

many hours they filmed, and a total of maybe fifteen, twenty minutes *made* it into the *final* three-hour segments that he was responsible for. There was an incredible amount of *cutting* that was done.

### **Farrell Secakuku, Chairman of the Hopi Tribe, Was on the Float Trip**

One of the really great things about that trip was that Farrell Secakuku, who is the chairman of the Hopi Tribe, is really a very quiet person, and throughout the trip really didn't say very much, very quiet in all the discussions that we had. But it wasn't until we got to one point on the Colorado near the Little Colorado, where Hopis believe that they emerged from the earth at that particular point, and he talked about that to the group, and there was a number of us just sort of standing there and talking, and I didn't realize Jon was photographing it, and Farrell talked about that. He talked about what that meant to his people and so forth in there.

It was a very interesting commentary, *not* terribly easy to follow; it was very confusing. We sort of left it at that, and then in the final series when they did *Cadillac Desert*, that probably was the longest piece that was on there, and I gave some absolutely terrific lines which ended up on the cutting room floor. So you never know with those things, but it really was—I had set up this trip as a means of sort of celebrating, I mean, sort of revisiting *Encounters with the Archdruid* and doing it in a different way. Instead of talking to somebody about dam-building or preservation, we'd talk about water-management problems in general, and how to address those, and what to do, and so forth.

In that sense, it was successful. I had a lot of people who participated in that, many people who didn't agree with what I wanted to do, but they really enjoyed the opportunity. I think you bond with people on a trip like that, that makes it very special. We did that, and I think we did it in 1994. I can't even be sure of the dates that we did it. I could go back and look, but it was sort of in the middle of my tenure at Reclamation.

### **The *Cadillac Desert* Television Serialization Highlights the Differences Between Beard and Dominy**

It took three years for them to edit the series and then find the money to put it on television. They did the filming, then they put it all in the can, and then they spent another two years fundraising to raise the money to be able to get it on television. But they were ultimately successful, and I think it's a good series. It really *captures* the debate and the discussion about water issues in the 1990s in the Western United States, and it has a *lot* of history in it, and a lot of contrast, too. There's a very stark contrast between me and Floyd Dominy, for example. Floyd represents an era that is no more, and he certainly has a different attitude and outlook and perspective than I have, and it comes through very clearly in that piece.

Storey: Yeah. Different kind of vision of what it was all about, what it *is* all about.

Beard: Yes. Well, I think that it's also largely a very different personality. I mean, he's very egocentric, very confident of himself and the righteousness of his approach. I mean, he feels very strongly that what he did ~~was~~ made a contribution to the nation, and he doesn't apologize for anything. On the other hand, I believe that much of some of what he did was to be congratulated, and some of what he did was absolutely *stupid*, and we ought to do everything we can to correct it. We really reflect different perspectives on the same issue at different periods of time. I reflect, I think, clearly the majority opinion that exists in 1990s, and he certainly reflected an opinion that existed in 1950s and '60s.

Storey: What about issues like, I believe Reclamation was sued over the Willow Flycatcher issue on the upper end of Hoover and out at Lake Roosevelt, Does Audubon become involved in those kinds of things? Have they been?

Beard: Audubon members have been; we as an organization have not been involved. I think that really reflects a concern that I [had] ~~have~~ when I was with Reclamation. We had meetings of our management team on a quarterly basis, and we took two days, one day to talk about internal things, and then another day to talk about education, help educate regional directors and area managers and program heads about issues and problems, and how to deal with them, and how to deal effectively with them.

**“. . . the Willow Flycatcher . . . sort of demonstrated to me that some of the people didn't get the message, that if you sit and let issues transpire without getting in and trying to shape those issues, you will . . . look like *fools* on this issue. They let other people characterize the debate . . . they made management decisions and operational decisions which they probably *shouldn't* have made in that way. . . .”**

The really sad thing about the Willow Flycatcher is that it sort of demonstrated to me that some of the people didn't get the message, that if you sit and let issues transpire without getting in and trying to shape those issues, you will end up on the short end of the stick, particularly in the public relations sense. I think Reclamation, and I also think the Fish and Wildlife Service and the Department of Interior look like *fools* on this issue. They let other people characterize the debate; they let other people characterize the issue; they made management decisions and operational decisions which they probably *shouldn't* have made in that way. It sort of struck me as a classic, without knowing all the details, and I'm *not* party to all the details, but it struck me as a classic case of not managing an issue properly. Other people characterize[d] their [Reclamation, FWS, DOI's] stance on the issue, and that should have never happened. So, it didn't leave me with a good taste in my mouth about the lessons learned.

Storey: I'd like to talk about this image of Audubon. I have the image of Audubon as a fairly activist organization, yet I think I'm hearing you saying that they don't

become involved in lawsuits and a lot of activism. Could you talk about that and sort of where Audubon comes from in these kinds of issues?

### **Activism in the Audubon Society**

Beard: Sure. Well, that's not an accurate portrayal. Not active in Western water resource issues, but we're certainly active in lawsuits and in activism throughout the United States. We're involved in a *lot* of different—we have 550,000 members, 520 chapters, located in the United States, Canada, Central American states, *and* Venezuela. Then we also have members in Guam, Hawaii, and Alaska.

### **Education**

We're an organization that has a philosophy that there are really two prongs to the way we approach issues. The first is education. We believe very strongly that there is a need to improve education about birds, other wildlife and habitat, and we have educational programs nationwide that reach close to a million people. We have an education program for fourth, fifth, and sixth graders, we have education programs for high school kids, and then we also have education programs for adults. We have camps, we have television, we do television programming. All of those are *educational* devices designed to educate people about environmental issues that we care about and we want to try to address.

### **Public Policy Advocacy**

The second approach that we use is public policy advocacy. We have *been* involved in advocacy throughout our entire lifetimes. The organization itself was *created* to *address* the *problem* of the slaughter of birds for plumage for women's hats in the early part of the century. So we have been actively in public policy advocacy throughout the lifetime of the organization. Each one of our state councils—I think each one—employs a lobbyist who works at the state legislature. Then our members of chapters are also active at the local level. So we are involved in public policy advocacy and education at the local level, at state levels, and at the national level. We are very active. I mean, we're active on forestry issues, endangered species, wetlands, refuges, the National Wildlife Refuge System, everglades, population, agriculture. We have people working on all these various areas, and a wide assortment of bird conservation issues: sea birds, Migratory Bird Treaty Act, and so forth.

We lobby, we testify, we write op-ed pieces, we *pack* hearings, we testify, we do all kinds of things.

### **Different Chapters Guide the Audubon Society in Varying Foci**

But it's such a large and diverse organization that it depends on where you are and sort of how we approach problems. For example, in Wyoming our

chapters are almost exclusively dedicated to approaching issues focusing on education issues. That's the primary focus and interest of our chapters and our members. But in Arizona, we have a very active lobbying component, and I think you would have to say that we're a very *activist* organization in Arizona, *much different* than we are in Wyoming. So each state, it depends on the culture and the members that we have there and their interests.

In Maryland we have a very education-focused group, but in New Jersey we're *very* active, been very active on bird conservation issues, and we are engaged in probably sixty lawsuits. There's an assortment of lawsuits that we're involved in: sharks, sea birds, trade issues. I mean, we're involved in quite a few things. But most of the issues that are not—we haven't had a strong involvement in water resource activity except for some specific areas.

**“We've been very active for a long time in the Platte River, and protecting habitat for Whooping Cranes and Sandhill Cranes in Nebraska. . . .”**

We've been very active for a long time in the Platte River, and protecting habitat for Whooping Cranes and Sandhill Cranes in Nebraska. Then we've been very active in our opposition to the Garrison Project in North Dakota, and that is a very high priority for our organization, primarily because Garrison, as it was originally configured, would have a very substantial negative impact on prairie pothole wetlands, which are a tremendous resource. It's a very active organization, but it's just a lot of the issues just don't impact directly with Reclamation.

Storey: How do you sort out what Audubon is going to do and not going to do? Or is that left up to the local folks?

**Dissension in the Organization about Direction**

Beard: If I could answer this question, I'd probably be the president of the organization. It is very difficult to—it's hard to explain. We're involved in issues—well, let me back up. We went through a strategic planning process three years ago. ~~The members, really~~ About four years ago, there was a big fight internally about who we were and where we were going. There was a real *intense* battle, and as a result of that battle, the president left. He had been running the organization for about ten years, and he left. And they search for a new president, and then they also undertook a strategic planning process to decide who they were and what they wanted to do.

The result of that planning process was that we have decided to basically go back to our roots and become a grassroots-based organization, and then try to focus on and concentrate on a *few* issues as opposed to a wide number of issues. So, instead of being an inch deep and a mile wide, *actively* involved in lots of issues but not concentrating on many, we decided to concentrate on a few issues and give up involvement in a lot of other areas.

Then we decided to focus our attention through a device called campaigns. In other words, we would make a conscious effort to focus on one—you know, take on an issue and really throw all of our resources at that issue for a period of time. So we settled on a series of national campaigns which include Everglades, human population and habitat, forestry, or forests and habitat, endangered species, wetlands, and being an advocate for the National Wildlife Refuge System.

We also have some program areas that we continue to be involved, the most important of which is bird conservation in general, and then also agriculture. So we work on conservation reserve programs, wetland reserves, and things like that.

In addition to our national campaigns and our programs, we also have a series of what we call regional campaigns, and these are campaigns that are no less important, but they're just not national in scope. One of those regional campaigns is the Garrison Project and our continuing involvement in prairie pothole wetlands in North Dakota. The Platte River—we are very interested and wanting to be involved in the Platte, and then the upper Mississippi River, and the resources that are along the river. Then we have an initiative along the Texas Gulf Coast, which we won, the Lower Rio Grande River, the habitat there, and the birds that inhabit that area, and also the Texas Gulf Coast. So we have these sort of regionally based areas where our membership wants to be involved in, then we have these national campaigns.

We've also decided to restructure our organization so that we're decentralizing, and we're opening up state offices, and we're closing regional offices, and we're trying to get our program delivery out closer to our chapters, and make each one of these state offices self-sustaining, which is our overall goal. It's a rather challenging task, ~~and it really is a very challenging task.~~ We're really remaking the organization, sort of top to bottom, and that's been the challenge that we've been working on.

- Storey: Does the fact that Audubon doesn't seem to intersect much with Reclamation have to do with the fact that we aren't doing much construction anymore, or is it something different?
- Beard: No, I think it really has more to do with the two organizations have different missions and purposes than anything else. No, they're really very separate organizations. I mean, the Audubon Society is really first and foremost an organization focused on and interested in birds and other wildlife and their habitat. That's our primary focus, is birds and their habitat. That's not a primary focus of Reclamation. I mean, Reclamation is sort of—well, it depends on who you ask what Reclamation's purpose is, but from my perspective, Reclamation ~~has a series of water resource;~~ has a water resource management responsibility that's westwide, and in that sense they impact habitat, but it's not the primary focus of the organization. So, no, there's nothing conscious there.

I must say that I find there's a sense of relief of being able to escape Western water issues for a while and focus on things like forestry, international family planning, or Everglades restoration for a while, and not have to focus on California water, for example.

Storey: Any other perspectives about your time as commissioner that you'd like to share?

**“I think that I underestimated a great deal the sense of the momentum, the ability of the changes . . . to maintain the momentum . . . I really felt . . . there was a sense of inevitability to what it is we had started. . . . but I think that I have been surprised at the quickness that some people have lapsed back into their old habits. . . .”**

Beard: Yeah. Time away has really given me a sense of—being away from it has given me a sense of perspective about it. I think that I underestimated a great deal the sense of the momentum, the ability of the changes that I had initiated and the ability to maintain the momentum on the initiatives that I had initiated. I really felt when I was leaving, as I was leaving, that there was a sense of inevitability to what it is we had started. It was like a snowball going downhill, that once you get it started, it's going to take off. I still believe that, but I think that I have been surprised at the quickness that some people have lapsed back into their old habits. I think when a new commissioner comes in, the new commissioner has sort of no interest in pursuing the agenda of the previous commissioner, and I think that it's interesting to me how some of the momentum has been maintained in some areas, but in other areas it's sort of slowly ground to a halt, and I think that's very unfortunate. When you're on the outside pounding on the door, it's very difficult to jump in and sort of say to people, “Keep going, keep going,” especially when their boss isn't interested in pursuing it. Yes, that's one perspective that I have.

### **Reclamation Downsized Itself and Other Agencies Later Had to Do it When They Couldn't Guide the Process to a Beneficial Result**

A second perspective I have is a genuine sense, a real sense of satisfaction that what I *thought* we should do was the right thing to do. I have had more than one person from Reclamation come up to me and say, “I thought you were nuts and you were wrong, but you know what? You were right. We should have done what we did. We should have downsized; we should have refocused; we should have changed the direction.”

What I thought was the most compelling argument as to why we should do that, which is let's do it ourselves rather than have somebody else do it to us, really turned out to be right. I mean, Reclamation went through those changes and came out the other side a stronger organization, and then all of the sudden all of these other Federal agencies found themselves in this position of having to go through the same thing. Instead of the agency being able to *guide* the change in a way that would be beneficial to them, other people did it to

them, and I think that sense of—whenever you’re doing something like that, you never know whether this is the right thing. *I felt* that it was, but only time will tell you for certain, and I really felt in the end that *time* proved me right, that that’s what we needed to do.

And it isn’t like it was my decision alone. I really felt that I was successful in what we did because I was able to convince the senior management in the organization to go along with those changes, and they did. They are the ones that really implemented those changes, and they really structured them and then implemented them. I really felt that they were the ones that did it, but some of them questioned it, and the majority sort of went along. I think, it retrospect it turned out to be the right thing to do.

Also, when you leave you get a sense of perspective about Western water issues that you didn’t have a lot of times because you’re so close to the trees that you can’t see the forest, and I have sort of different reactions now about things than I used to have.

Storey: In what way?

### **Spoke to the Western Water Policy Review Commission**

Beard: Well, I was very lucky. I was asked by the Western Water Policy Review Commission to come to Tempe, Arizona, in February of 1997 and speak to them. I thought a lot about that speech and what to say. I should have brought a copy with me today, but I don’t [have one]—any way I can give it to you and have you make it part of the record?

Storey: Sure. We can just put it in the back of your—

Beard: Yes, put it in as an appendix. I really thought a lot about that, speaking, because in one sense I wanted to say things that were somewhat useful based on my own experiences. In China they have this custom. In many Asian countries, they have this custom that if you were a government official who ran an agency, for example, who has a very esteemed position, and then you always carry that with you the rest of your life. You’re always sort of looked upon as a sort of a *senior* advisor, somebody to be listened to.

Well, in the United States we don’t have that at all. I mean, if you’re an ex-commissioner, you’re nothing. I mean, you’re sort of like, “Who cares what he thinks. He’s an ex.” We don’t have that kind of concept, and I really felt that when you look back on water resources, I mean, one of the problems that we have is there isn’t anybody out there who’s speaking to these issues. I mean, there isn’t anybody. It’s not like if there was somebody out there speaking, sort of giving speeches about how we ought to develop water in the West, I might be worried, but there isn’t even anybody out there doing that. I mean, there isn’t anybody. So I really felt, in one sense, that there’s this



opportunity there for somebody like me. I have opinions, and I'm happy to express them.

So I looked forward to the opportunity to going out and speaking on the issues. I've done quite a bit of that, a fair amount. Western Water Policy Review Commission, I've spoken at water resource associations, Society of Environmental Journalists. I've had a lot of opportunities to be able to speak, and I enjoy it.

### **The Nature of the Electricity Industry Has Changed**

I think in that speech that I gave in Tempe, I really felt that for the first time I kind of captured sort of a laundry list of things that they really needed to address. My feeling is that—and it sounds a little trite, but it's still the case—1997 is to the water business, water industry, what 1974 was to the energy business, that we're really on the threshold of some remarkable changes in the industry itself; that we're getting ready to really undergo some significant changes. I think the changes will be different, but when you look at the energy industry today in 1997, and you think back to what it was in 1974, it was a completely different industry. It's been deregulated; the structure of the industry is changed. Instead of having the sort of large integrated companies that generate and then generate electricity and then transmit it and then *market* it, the industry's broken into separate units where you have generators and transmission agencies, and then you have marketers. You now are going to have competition in the marketing end of things. The industry's all changed.

Utilities no longer—in 1974, if you asked a utility executive, “Well, how are you going to meet future needs?” I mean, their answers were, “We're going to build a nuclear power plant, or 1000-megawatt plant somewhere and generate electricity.” Well, if you ask a utility executive today, they would say, “I don't know, not my problem.” Generators, “We've deregulated the generation industry, and they're going to go out and take the risk and generate, and we'll buy it from them.” Or, “We're going to get it through conservation and—“

END SIDE 2, TAPE 1. OCTOBER 28, 1997.

BEGIN SIDE 1, TAPE 2. OCTOBER 28, 1997.

Storey: Tape two of an interview with Daniel P. Beard on October the 28th, 1997.

**“The water business *is* going to change, whether people like it or not, and particularly the Federal Government's involvement in water is going to change. It *has* changed *remarkably* in the last twenty years, and it's going to change even more remarkably in the next twenty years. . . .”**

Beard: We're really on the threshold of a similar kind of change in the water business. The water business *is* going to change, whether people like it or not, and

particularly the Federal Government's involvement in water is going to change. It *has* changed *remarkably* in the last twenty years, and it's going to change even more remarkably in the next twenty years. It's going to be a *completely* different *approach*.

I really think that when I went to Tempe, I really wanted to speak to that, and I really *felt* that this commission had an opportunity to speak to some of those issues. So what I did is I basically said to them, "Here are ten issues that you need to address, and unless you address these issues and these questions, you'll be viewed as a complete failure." It's always nice to throw that in front of people. I raised, I think, some really fundamental issues about western water which people do not want to address.

[H.] Ross Perot, when he ran for president in 1988 or 1992, I've forgotten which, used to talk about the deficit as being the crazy aunt in the basement which nobody talked about. Well, we've got a lot of issues like that in Western water that we *don't* talk about, and yet they're there, and we've got to begin to address them.

### **The Issue of Water Subsidies in Western Water**

The first and foremost is the issue of subsidies. I mean, we *subsidize* water. It doesn't make any sense. Why on earth—well, let me back up. The first issue that we've got to address is why is the Federal Government involved at all? There's no reason to have the Federal Government involved. Why is the Federal Government involved in Western water issues? Well, we're involved because we've always been involved. Well, why were you involved in the beginning? Well, they were involved in the beginning because the Federal Government is the only residual of engineering talent and expertise that was available. But there's really no compelling reason to have the Federal Government involved in Western water issues at all anymore.

**“ . . . we lack an intellectual underpinning for *why* the Federal Government is involved in the Western water issues at all. . . . ”**

We, as a country, we lack an intellectual underpinning for *why* the Federal Government is involved in the Western water issues at all. I mean, in my mind it's a very compelling issue. *Why* should the Federal Government be involved? Nobody can articulate that. Nobody can go back to you and say, "Well, they should be involved because—" and then they give you an intelligent, thoughtful answer. There is no intelligent or thoughtful answer.

One answer is, "Well, they should be involved because they can referee among states, Arizona, California, that kind of thing." Well, that doesn't make a lot of sense. I mean, you have the New Jersey-New York Port Authority, and you could create a California-Arizona Joint Powers Agency which the two states could be involved in and they could resolve the differences there and they wouldn't need the secretary of interior at all, or the Bureau of

Reclamation for that matter. At some point *somebody* has to sort of say, “Now, hold it here. *Why* are we involved?” There are reasons, but the reasons, with every passing day, become less compelling. So you’ve got sort of that problem.

**“Why on *earth* do we give water, our most valuable resource, to people for free? . . . Well, it doesn’t take a genius to figure out that if you give somebody something for *free* . . . they’re *not* going to be careful with it, because it’s a free commodity. . . .”**

Then the second problem that really needs to be addressed is the whole issue of subsidies. Why on *earth* do we give water, our most valuable resource, to people for free? *Then* we say to them, “Oh, be sure you use it carefully.” Well, it doesn’t take a genius to figure out that if you give somebody something for *free*, and then you say, “Oh, yeah, be careful with it,” they’re *not* going to be careful with it, because it’s a free commodity. Why would you treat it carefully? We have taken our most valuable resource, and we are giving it away for free, or we’re subsidizing it at rates which are ridiculous how low they are, and it is beyond me why we’re doing that. Well, we do it because we’ve always done it. The question is “Why do we continue to do it?” We no *longer* give subsidies to program crops in the Department of Agriculture, and we’re phasing it out over a five-year period of time. We’ve *deregulated* the airline industry. We’ve *deregulated* electricity. We’ve *deregulated* telephones. We’ve deregulated everything. But yet we persist in perpetuating this *myth* that we’ve got to subsidize Western water. And, of course, we don’t *have* to.

We did it originally to promote settlement in the West, but now that California’s the largest state in the union, we succeeded. So let’s give each other high fives and declare victory and get out. I don’t know. I mean, really, it’s very frustrating. It’s a very compelling issue which we don’t seem to have anybody sort of interested. There’s no discussion of it, and it’s very frustrating.

I think another issue that really has to be discussed is the role of the states vis-a-vis the Federal Government. I mean, we *operate* under this myth that Western *water* issues should be the purview of the states and the Federal Government shouldn’t be involved. Well, *everybody* knows that the Federal Government is *intimately* involved through the Endangered Species Act, Clean Water Act, Clean Air Act, you name it. We prop up this little *facade* that somehow the primacy of Western water laws, but everybody knows in reality that it doesn’t work that way. Why don’t we *admit* that it doesn’t work that way and deal with other issues?

### **Surface and Ground Water must Be Seen as Part of the Total Hydrologic Cycle**

I think we have to address the issue of the *connectivity* of groundwater and surface water. We operate in a regime where we say, “Surface water is surface water, and it isn’t connected at all to groundwater.” Well, that’s nuts. It’s all part of the hydrologic cycle.

We have different legal regimes, and we operate our agencies very differently. The Bureau of Reclamation deals with surface water; it doesn’t deal with groundwater. Right? But it doesn’t make any sense, what we do. Somehow we’ve got to begin to address that.

### Instream Uses

I think that another issue that has struck me the more I’ve been away is the complete inability of our system, our Western water systems, to appreciate the *value* of instream uses. We still operate under this delusion that the highest and best use of water is to take it out of the river and to spread it on a field or treat it and drink it. Those are the two things you do with water. You take it out of the river and you use it, use it either to spread it on a field or you drink it. Well, that isn’t the best use of water. The best use of water may be to leave it right where it is. It may be the highest and best use for water. But we don’t have any appreciation for that. It is frustrating to see much of the debate still plod along, ignoring this fact.

### Restoration of Environmental Systems Impacted by Water Development

I think another thing that we need to do is we really need to address the need to restore environmental systems impacted negatively by water resource development activities. There is a host of things. I mean, we are spending, in this country, the Bureau of Reclamation and the Corps of Engineers today spend *more* to *correct* the problems associated with *past* development than they do on building new water projects. We spend more trying to *fix* the *problems* associated with our past mistakes than we do on promoting new water uses or developments.

It’s a pretty sad day when you think about what’s the legacy of our dam-building era? The legacy was one of pretty substantial environmental *damage* which we are spending *billions* of dollars to correct. The whole CVPIA, the Central Valley Project Improvement Act, is really designed to sort of correct problems that are associated with the development of the Central Valley Project. We’re spending *hundreds* of millions of dollars on that project alone.

The *Idaho Statesman* in July of 19—I’m trying to get this right for people that are historians—in July of 1997 published a series of three editorials in which they looked at the four lower Snake River dams that were built by the Corps of Engineers. They asked the question, “Would it be cheaper to take those out so that we could restore salmon, or leave them in?” They answered

the question by saying, “It would be cheaper if we took those dams out than if we *left* them there.”

**“ . . . we’re spending an *incredible* amount of money to *try* to restore environmental systems that were negatively impacted . . . ”**

We are *spending*—the Bonneville Power Administration this year will spend 435 million dollars on salmon restoration of Pacific Northwest. We are spending how much—185-, 200 million dollars in the Central Valley on restoring that system and dealing with the damage associated there. We’re spending who knows how much on the Colorado River. If you go around and you start adding up all these dollars, what we’re doing is we’re spending an *incredible* amount of money to *try* to restore environmental systems that were negatively impacted, and I think we have to begin to look at the reality of what we’re doing, and whether or not that’s the best thing to do, and the best way to approach it.

That’s why Glen Canyon, to me, is such a fascinating—taking down Glen Canyon, or drawing down the reservoir, is such a fascinating issue. If you *really* looked at the economics of it, *how* much we spend on endangered species work associated with the Colorado River, I’ll tell you this much, that amount would be a *lot* more than we get in the way of *recreational* dollars on Lake Powell. It would be a very stark comparison.

**“ . . . I *continue* to be *appalled* at the *lack* of innovation and creativity associated with the water business throughout the world. We still address issues today the same way that we addressed them in the fourteenth century. . . . ”**

A final issue about water, a perspective that I have, and that is that I *continue* to be *appalled* at the *lack* of innovation and creativity associated with the water business throughout the world. We still address issues today the same way that we addressed them in the fourteenth century. Take flood control, or flood management, as you properly should say. We still approach it the same way: build a levee. There is no history or sense of creativity associated with the water business that there really needs to be.

I continue to be *surprised* at how—I went to the Society of Environmental Journalists [meeting] in Tucson a few weeks ago, and a water official was there from the state of Arizona, and she gave this long sort of rambling monologue which was the *same* speech that I’ve heard from Arizona water officials for the last twenty-five years. I mean, it was the *same* speech. I continue to be amazed at the *lack* of creativity, the *lack* of innovation, the *lack* of willingness to use *new* technology to integrate it into the industry and make change.

For example, we’ve created the internet—personal computers. We have revolutionized our lifestyle in the last five years, I mean, literally in the last

five years. The Internet, the World Wide Web, PCs, it's completely revolutionized our life, and it will revolutionize our life in the future. But there is no sense, in the last five years, that we've had any dramatic breakthroughs in the water industry in the way in which we develop, manage, use water? The answer is probably no. I think, in a large part, one contributing factor is government agencies *tend* to do things one way and *don't* change. There is no sense of creativity and innovation and approaching problems in different ways.

It struck me. I never really thought much about it when I was with the Bureau, but since I've left and I reflect back on it, I almost get sad about it, because I think it's very sad that there is this lack of creativity and innovation in the industry. And, I'm not quite sure how to correct it. I mean, I'm not even sure why that's the case. But it's something that we really ought to address.

So you asked me for my perspectives on reflecting back on my time as commissioner. Yes, I reflect a lot on it. I also think that, *sadly* enough, I'm one of the few people that sort of speaks like this. What I really find *appalling* is there isn't anybody else out there saying, like coming up to me and saying, "Beard, you're a nut. You're *wrong*. For the following eighteen reasons, you're wrong." I mean, I would *love* to have somebody to debate. I can't even get anybody to debate, because I can't find anybody out there who's willing to speak out.

It's very frustrating that we seem to be in a business where it's the same thing as last year, and just a little bit more. It's frustrating, because *I'm* concerned about where we're headed and why and all the rest of it, and I *want* very much to—the only way you get there is you have debate, a national debate, and discussion, and dialogue. I don't see any of it. I don't see anybody else wandering around talking about it with an opposing viewpoint.

I've gone to a number of meetings, and Stewart Somach, who's a friend of mine, S-O-M-A-C-H, Stewart is a lawyer and represents Central Valley Project Water Users Association, and Central Arizona Project, and a number of other people.

Storey: He's here in Washington?

Beard: No, he's in Sacramento. Stewart disagrees with me vehemently, and it's *wonderful*. We go out and we debate. I find it energizing that we could have public-policy debates. But, I mean, he's busy off suing people and making money, so he can't afford the luxury of wandering around debating these issues.

I find it sort of frustrating that we haven't generated the kind of debate discussion that we really need about these issues.

Storey: From a political point of view, do you think it's possible to really discuss these issues?

Beard: Oh, sure.

Storey: You know you have vested *property* rights in water now, and all of those kinds of things. Makes it really difficult, because it seems like you're *challenging* that *basis* of American society—property rights—if you bring these kinds of issues up.

Beard: Sure. I would look at it that way, but you *are* touching a sensitive nerve. But it's a sensitive nerve about something that is fundamental to life, and it sort of strikes me that this is kind of an interesting thing to debate and discuss. Your viewpoint that these are private property rights is one viewpoint. They're also public goods, and they're bestowed upon you by society, and society can change its mind. As I pointed out in the *New York Times* piece—and they changed the line, which frustrated me—a dam is not there because it makes economic sense or engineering sense, and it certainly isn't a gift from God; a dam is there because we made a *political* decision to put it there, and we have maintained a political will to *keep* it there, and we could *change* our mind anytime we want. It's a political decision. *Ask* the owners of Elwah Dam near Olympic National Park. I mean, they had a FERC [Federal Energy Regulatory Commission] license [for] fifty years, built two dams. All of a sudden at the end of fifty years they went in to get them relicensed and the FERC said, "No."

They suddenly had two pieces of *concrete* in the middle of a stream which they had to take out, at their expense, and they suddenly, instead of having a valuable commodity, and they could give you all the speeches they want about how it was a private property right, they had a valuable commodity one day and the next day it was worthless. I mean, they had a hunk of concrete in the middle of a river. So they ran to the Congress and said to the Congress, "Oh, please pass a *law buying* our dam, compensating us, and then tear it down and restore the river for fisheries." And the Congress bought the idea.

But it's very interesting. Sure, people have a water right. But, you know, it's very interesting when you look at our water-right system. You know what that it is? What it is, is a *socialist* system. What we've *done* is that instead of allocating our most precious resource based on some economic value, we've decided that the best way to allocate these precious resources is by having a *government* agency do it for us, a bunch of bureaucrats, who'll do it based on a permit system, based on a series of rules developed by the agriculture and mining industry.

Well, there are times when you can change those rules. You can change the rules, you can phase them out over time, there's a million ways you can address these issues. And trust me, they will. Water has never been an impediment to development at any point. So when the numbers of people become so large, and the demand so great, the rules will change. Water's

never been an impediment to development. It just *can't* be, because you can't say to—Las Vegas is a good example, Clark County. There are 5- to 7,000 people a month move into Clark County, Nevada. Now, you have a million people who live in Clark County now, close to a million people, and you can't sort of say to all these people, “Well, I'm sorry, you all have to go back, because we don't have enough water.” I mean, the answer is, water is not going to be the limiting factor. We will *devise* means by which we can meet your needs. We always have done it that way, and we probably always will.

It's a question of debating these issues and discussing them and talking about it. What I don't see out there is I don't see anybody in the Congress interested in these issues. The current Congress seems to be very status quo; let's keep the present system and not talk about it. There isn't anybody in the administration that's *interested* in discussing it. Nobody in *politics* right now, or the political system, seems to be at all interested in debating these issues. I'm appalled at it. I really am appalled. I mean, it's very frustrating to me that we don't have a national—we don't have the kind of debate and discussion that we really *ought* to have about these issues.

It's not like my position is the right issue. I could care less. I have my opinions, but I would just as soon have somebody else here advocating their position, and through that debate and discussion we could make change that way, otherwise, you know, you'll just have the same sort of old vested interest will keep perpetuating the myths, and nothing will change.

Storey: It's interesting, because Charles Wilkinson, in his book,<sup>16</sup> sees *water* as one of the three big natural resources issues for the West, of course, but it's been allocated a little differently.

There's a lot of discussion about your leaving and the fact that Secretary [Bruce] Babbitt was unhappy in that, with the election coming up, some people felt that it would be better if you weren't around in order to try to placate Western states, a whole bunch of *nonsense, things* going on. Could you talk more about that, or are you willing to talk more about that?

Beard: Sure. Well, I actually find it comical that people sort of speculate about things like that. I would take it, honestly, I would be *thrilled*, I would be *honored* if the last suggestion you made, that somehow me leaving the Department of Interior would have made a difference in the 1996 election, I would view that as quite an honor, but, unfortunately, that's not the case.

No, the reality was very, very different. In December of 1995 I really felt that I had accomplished what *I* had set out to do, which was I wanted to come in and change it, make the changes that I felt necessary, and I really felt at that point that *I* had done what *I* wanted to do, which was I had become a

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16. Charles F. Wilkinson. *Crossing the Next Meridian: Land, Water, and the Future of the West*. Washington, D.C.: Island Press, 1992.



change agent. I had made the decisions. I knew that they were irreversible, and that they were going to lead to the changes. At that point I really felt that we were shifting into a different mode which was really an implementation mode, and I'm not an implementation kind of guy. I mean, that's just not why I went there, that's not really why I wanted to be there.

I really decided in really late November, early December that I wanted to leave, that I was going to leave. I went to the Reclamation Christmas party, and Betsy Rieke came up to me and said, "I've decided to leave."

I sort of swallowed my tongue and said, "Oh." I really decided at that point it would be *impossible* for me to leave. Until she was replaced, it would really not make a lot of sense. But I didn't say anything to anybody other than my family, because my wife and I talked a lot about this.

Somewhere in the spring, I think it was April or May, after Betsy had left, actually, or was *almost* out the door, and the secretary called me and asked me to come up and talk to him. I went up and talked to him. He said that he'd been interviewing a lot of people for the assistant secretary job, and he asked me if *I* was interested in being considered. I told him, "No." I said, "*I don't want* to be considered because I didn't come here to do that." We talked a lot about that. He said, "I understand," because I told him at the time when I was being interviewed for the job, I was not interested in being the assistant secretary of anything. I didn't care what it was, I wasn't interested. What I wanted to be was an agency head, and the reason I wanted to be an agency head is that I wanted to *do* things. An assistant secretary doesn't get to do anything. An assistant secretary basically gets to go around and apologize, or cover up things. You don't have a budget, you don't have enough people, you don't have the *freedom* to be able to go out and get things done, and it's really very difficult to make decisions, because decisions are made by people who work for you. You spend most of your time, as your title says, doing things that the secretary can't do. You're his *assistant*, and that's why they call it assistant secretary. Your job is to go *out* and do what the secretary can't do. You don't really have a big staff, you don't really have a *budget* at your disposal, you don't really have a means by which you can get things done. You don't have any levers to make things happen.

When you're an agency head, that's not the case. You have statutory responsibilities, you have a budget, you have people who work for you. I was lucky enough to have 6,200 people who reported to me. If I said, "I want forty people to go over and work on X starting next Monday," there were forty people working on whatever that issue was the next Monday. I had 800 million dollars every year, and I could *impact* how that 800 million dollars was spent. Now, I didn't have *control* of it, because the Congress—it's a very complicated process. But *I* could impact things, *I* could do things, *I* could get things done, and I didn't want to be the assistant secretary of anything, because what that meant I had to do was run around and apologize for the fact, "I'm sorry the secretary can't be with you here today, but I'm here, and let me tell

you what the secretary would have said.” Now, you’re in the chain of command, and you *do* get to make *some* decisions, and you do have impacts, but you can’t have the kind of impact that you can as an agency head.

The secretary and I talked a lot about that, because his philosophy was, and his memoirs, I’m sure, will show this, or discussions later on, is that he really gave serious consideration, when he came into the Department, of abolishing *all* the assistant secretaries. “Why do I need these people?” Well, he found out later on why he did need them, but he really felt that the agency *heads* ran the Department, and every interior secretary that’s ever been there will tell you that that’s the case, that agency heads get things done. They can do things.

Secretary Babbitt asked me if I was interested in being considered for the assistant secretary’s job, and I said, “*No*,” I was not. And I said, “In addition, I want to let you know that *I* want to leave.”

The secretary said, “Fine.” He asked me not to *say* anything to anybody until he had a chance to appoint somebody, and I honored that. I really felt that Pat Beneke was appointed and later confirmed as assistant secretary, and she was *terrific*. She was good to work with, and I enjoyed my relationship with her, but *I* had no interest in staying on to be the assistant secretary of anything, or any other job in the Department of Interior. I had the one job I wanted, and once that job was over, I was going to leave.

I think I would have to be fair to say, and I didn’t really communicate a lot with the secretary, and I think it’s fair to say that he and I didn’t agree on a lot of issues, but we agreed on the most important issue, which was *he* wanted the Bureau of Reclamation changed. If you recall, the secretary had been president of the League of Conservation Voters before he came in, and he gave speeches about how the Bureau of Reclamation ought to be abolished. In fact, I remember he *called* when I worked for Congressman Miller, and I was his staff director for the committee, Natural Resources Committee, he *called* one time during the spring of 1992 and said, “I want you to know that I’m going to be giving speeches advocating the abolition of the Bureau of Reclamation.” He said, “I want you to pass on the message to Congressman Miller, and if he has a problem with that, he should give me a call.”

END SIDE 1, TAPE 2. OCTOBER 28, 1997.

BEGIN SIDE 2, TAPE 2. OCTOBER 28, 1997.

Beard: We talked about the secretary’s issue, his perspectives on the Bureau of Reclamation when I interviewed, and that was one of the issues that we really discussed in some detail. Did he want it abolished or *not*? And the answer was, he said, “No. I think that if you can make the changes that need to be made, we don’t need to abolish it.”

I said, “Well, in *my* view, I could make those changes,” and I really felt that that was the right course to go. My recommendation to him was not to abolish it, because I said, “You’ll never win that fight. The politics just will work against you.” And I think, in retrospect, that was right.

But, no, my relationship with Secretary Babbitt, we disagreed on some issues, but we agreed on a lot of fundamental issues about approach. I don’t think that we had a *warm* relationship, because I didn’t deal with him all that much. Whenever I did deal with him, we came out on the same side of issues, and some controversial issues. I mean, one of the ones that strikes me is Three Gorges Dam. I went to him and said, “I want to pull out of being involved in it,” and he said, “Yeah. Good idea.” We did. This is October of—right? October of 1997, there was an article in *Fortune* magazine, the latest issue of *Fortune* magazine. I think it’s November tenth issue, something like that, 1997, an article about Three Gorges Dam, and editorializing. They were actually castigating government officials, including Bruce Babbitt, for their failing to participate in it. Well, that’s largely due to—and that goes back to the decision that we made, that I recommended to him that we not do this.

As he began to realize the kind of changes that we were making in the Bureau and the stand that we were taking on issues, we brought him a lot of good news. He was *fascinated* by our ability to deliver good press and good product for his—whenever *we* were successful, it made him successful, too. He knew that, and he understood it.

But there were some other issues, for example, the Central Arizona Project negotiations, for example, where he was just wrong on. I just think, sadly, he was really just plain wrong. But we didn’t have a *cozy* relationship. I don’t think that I was a close confidant in any respect. Even today I see him and we talk. I think he has a great deal of respect and appreciation for what I was able to do, and he said so repeatedly. So, I don’t have any problem with that.

But to somehow look at my decision to leave, and then search into that some meaning is just, I think, is a completely useless exercise. To be perfectly honest, I think, as I reflect back on it now, I probably left earlier than I should have. But I’ll tell you that the physical demands and mental demands on somebody in that position, if they’re really committed to it and they pursue it and they work hard at it, are overwhelming.

My advice—I have a good friend of mine is now the director of the BLM, Pat Shea, and Pat called me six months ago, and he asked me to come to Salt Lake and visit him, and said that he was going to be the next BLM director and wanted my advice. My first bit of advice to him was, get a good physical education, a physical fitness program. He looked at me like, “What, have you gone nuts?”

I said, "Let me just tell you. You've *got* to have an outlet. You will find that this is so physically demanding, the *pressure*, the *anxiety*, the incredible pressure that's put on you mentally, that unless you have a physical outlet, you just won't be successful." So I said, "That's the first thing you've got to do." Then we talked a lot about all the other things that I really recommended that he do.

Storey: Well, I see our time is up and I'd like to ask—

Beard: No, that's just because you're holding down the button. [Laughter]

Storey: No, I'm also holding down the button switch, I'm not going to be able to do very long. So I'd like to ask you whether you're willing for the information on these tapes and the resulting transcripts to be used by researchers.

Beard: Yes. What's the time frame on these kinds of things?

Storey: We can do it immediately or we can delay it for a while, if you wish.

Beard: I would prefer to have a six-month cooling-off.

Storey: From now?

Beard: Yeah, from now.

Storey: Okay. Yes, that's fine. It'll take me that long to process.

Beard: That's fine.

Storey: Good. Thank you very much.<sup>17</sup>

[END OF INTERVIEWS]

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17. Since this interview Commissioner Beard has worked as senior advisor for the consulting firm Booz, Allen, Hamilton, Inc., and was appointed Chief Administrative Officer (CAO) of the U.S. House of Representatives in February of 2007, where he has implemented restoration in some of the public areas of the House side of the Capitol.

Appended materials including: speech at the International Commission on Irrigation and Drainage, Varna Bulgaria, 1994; remarks at National Audubon Society Annual Meeting in 1995; documents related to resignation; various job changes after leaving Reclamation; and press release announcing appointment as Chief Administrative Officer of the U.S. House of Representatives

REMARKS OF  
DANIEL P. BEARD, COMMISSIONER  
U.S. BUREAU OF RECLAMATION  
BEFORE THE

INTERNATIONAL COMMISSION ON  
IRRIGATION AND DRAINAGE  
VARNA, BULGARIA  
MAY 18, 1994

INTRODUCTION

THANK YOU FOR PROVIDING ME WITH THE OPPORTUNITY  
TO ADDRESS THIS DISTINGUISHED GATHERING OF WATER  
RESOURCE PROFESSIONALS.

AS MOST OF YOU KNOW, THE UNITED STATES BUREAU OF  
RECLAMATION (USBR), THE AGENCY I DIRECT, WAS FOUNDED  
IN 1902 AS A CIVIL WORKS CONSTRUCTION AGENCY. OUR  
ORIGINAL MISSION WAS TO DEVELOP THE WATER RESOURCES  
OF THE ARID WESTERN UNITED STATES SO AS TO PROMOTE  
THE SETTLEMENT AND ECONOMIC DEVELOPMENT OF THAT  
REGION.

THE RESULTS OF OUR WORK ARE WELL KNOWN.

THE USBR BUILT HUNDREDS OF PROJECTS THAT PLAYED  
AN IMPORTANT ROLE IN PROMOTING WESTERN SETTLEMENT



AND ECONOMIC DEVELOPMENT. HOOVER DAM, GLEN CANYON DAM, SHASTA DAM, GRAND COULEE DAM, AND OTHER WORKS ARE THE RESULTS OF OUR EFFORTS. THESE ACTIVITIES ARE A SOURCE OF PRIDE TO OUR EMPLOYEES, ESPECIALLY FOR THE INNOVATIVE CONSTRUCTION TECHNIQUES USED TO BUILD THESE STRUCTURES.

THE SUBSTANTIAL INFRASTRUCTURE DEVELOPED BY OUR PROGRAM HAS MADE THE USBR THE LARGEST WHOLESALE SUPPLIER OF WATER IN THE UNITED STATES. WE ARE THE COUNTRY'S SIXTH LARGEST ELECTRIC POWER GENERATOR, AND WE MANAGE 45 PERCENT OF SURFACE WATER IN THE WESTERN UNITED STATES.

### REASONS FOR CHANGE

IN RECENT MONTHS, WE HAVE COME TO THE REALIZATION THAT WE MUST MAKE SIGNIFICANT CHANGES IN OUR PROGRAM, AND IT IS THESE CHANGES I WOULD LIKE TO DISCUSS WITH YOU TODAY. FOR INSTANCE, WHAT CHANGES ARE TAKING PLACE, WHY, WHAT IT WILL MEAN FOR THE

USBR, AND THE POSSIBLE IMPACTS IT COULD HAVE ON YOUR PROGRAMS.

THE CHANGES OCCURRING IN THE USBR ARE PART OF A LARGER PICTURE. WATER RESOURCE POLICIES IN THE WESTERN UNITED STATES WERE ORIGINALLY CONCEIVED AND IMPLEMENTED TO MEET THE NEEDS OF AGRICULTURE AND MINING. THAT WAS AN ACCEPTABLE APPROACH AS LONG AS THERE WERE AMPLE WATER SUPPLIES, GOVERNMENT FUNDS WERE PLENTIFUL, AND ENVIRONMENTALISTS AND INDIGENOUS PEOPLES HAD LIMITED INFLUENCE IN POLITICAL OR LEGAL PROCEEDINGS.

ALL OF THAT HAS NOW CHANGED.

THE WESTERN UNITED STATES IS NOW THE MOST URBANIZED PORTION OF OUR COUNTRY AND EXPERIENCING THE MOST RAPID GROWTH. THE DEMANDS THESE URBAN RESIDENTS MAKE ON OUR WATER RESOURCE SYSTEM ARE DIFFERENT FROM THOSE OF AGRICULTURE OR MINING.



**WATER SUPPLIES ARE NO LONGER PLENTIFUL,  
PARTICULARLY BECAUSE OF INCREASED POPULATION AND  
GREATER DEMAND FOR NEW USES.**

**FEDERAL FUNDS ARE NO LONGER PLENTIFUL.  
GOVERNMENT BUDGET REDUCTIONS AT ALL LEVELS HAVE  
MEANT FEWER DOLLARS AVAILABLE TO UNDERTAKE LARGE  
CONSTRUCTION PROJECTS.**

**INDIGENOUS PEOPLES AND ENVIRONMENTALISTS NOW  
HAVE A CRITICAL VOICE IN POLITICAL AND LEGAL  
PROCEEDINGS.**

**THERE'S GREATER COMPETITION FOR WATER,  
ESPECIALLY FROM NON-CONSUMPTIVE USES, SUCH AS IN-  
STREAM FLOWS. AND THERE IS BROAD-BASED, PUBLIC  
SUPPORT FOR PROTECTING THESE NON-CONSUMPTIVE USES.**

**FEDERAL ENVIRONMENTAL REQUIREMENTS CONTINUE TO  
GROW AND INFLUENCE POLICY DEBATES. PROTECTING  
ENDANGERED SPECIES, SOLVING DOMESTIC WATER POLLUTION  
PROBLEMS, AND ENFORCING WETLAND PROTECTION LAWS HAVE**

ALTERED OUR TRADITIONAL APPROACHES TO SOLVING WATER PROBLEMS.

AND FINALLY, PUBLIC SUPPORT FOR SUBSIDIES TO A SMALL NUMBER OF AGRICULTURAL PRODUCERS OR LANDOWNERS, WHICH HAD BEEN THE FOUNDATION FOR MOST OF OUR PROJECTS, HAS DECLINED.

### FORCES CAUSING CHANGE

WHAT HAS FORCED THESE CHANGES? I BELIEVE THERE ARE FIVE MAJOR FORCES DRIVING THESE CHANGES:

ECONOMIC REALITIES.--A BASIC PREMISE FOR OUR PROGRAM WAS THAT THE BENEFICIARIES OF PROJECTS WOULD REPAY THE COSTS. WE NOW REALIZE THE SIGNIFICANT CONSTRUCTION AND OPERATING COSTS OF LARGE-SCALE WATER DEVELOPMENT PROJECTS CANNOT BE REPAID. OUR EXPERIENCE HAS BEEN THESE PROJECTS REPAY ONLY A SMALL PORTION OF THEIR TOTAL COSTS BECAUSE IRRIGATION COSTS ARE REPAID AT ZERO PERCENT INTEREST. THUS, THE USBR PROGRAM HAS PROVIDED EXTENSIVE SUBSIDIES FOR PROJECT BENEFICIARIES AT THE

EXPENSE OF TAXPAYERS. IN ADDITION, THE ACTUAL CONTRIBUTION MADE BY THESE PROJECTS TO THE NATIONAL ECONOMY IS SMALL IN COMPARISON TO ALTERNATIVE USES THAT COULD HAVE BEEN MADE WITH THESE PUBLIC FUNDS.

THERE IS ALSO THE QUESTION OF THE ANTICIPATED COSTS OF THESE PROJECTS. OUR EXPERIENCE HAS BEEN THAT THE ACTUAL TOTAL COSTS OF A COMPLETED PROJECT EXCEED THE ORIGINAL ESTIMATED COSTS BY AT LEAST FIFTY PERCENT, AND OFTEN, PROJECT BENEFITS WERE NEVER REALIZED. THE RESULT HAS BEEN THAT OUR CREDIBILITY WITH OUR POLITICAL LEADERSHIP SUFFERED FROM OUR FAILURE TO ACCURATELY ESTIMATE THE ULTIMATE COSTS AND BENEFITS OF PROJECTS.

SOCIAL REALITIES.--FOR MANY YEARS, THE USBR LARGELY SERVED THE NEEDS OF A FEW AGRICULTURAL INTERESTS, AND GENERALLY DID NOT SERVE THE NEEDS OF AN EXPANDING URBAN POPULATION. THE RESULT WAS THAT THE BASE OF SUPPORT FOR OUR PROGRAM DECLINED.

IN ADDITION, THOSE WHO OPPOSED OUR EFFORTS TO CONSTRUCT FACILITIES BECAME OUR SHARPEST CRITICS, AND WE DID NOT LISTEN WELL TO OUR CRITICS. THIS WAS A COSTLY MISTAKE. EVENTUALLY, THE OPPOSITION TOOK ITS TOLL, AND PUBLIC SUPPORT FOR OUR EFFORTS DETERIORATED.

OPERATING REALITIES. --THE WESTERN UNITED STATES HAS SOME RATHER LARGE AND RELATIVELY OLD WATER DEVELOPMENT INFRASTRUCTURES EMPHASIZING IRRIGATION FROM MAIN STREAM STORAGE. IN THE LAST 25 YEARS, WE HAVE LEARNED THAT THE SECONDARY COSTS OF LARGE-SCALE WATER DEVELOPMENT IS SIGNIFICANT. SOIL SALINIZATION, DECLINE OR ELIMINATION OF FISHERIES, ELIMINATION OF WETLAND HABITAT, DESTRUCTION OF NATIVE CULTURES, AGRICULTURAL POLLUTION, RESERVOIR SEDIMENTATION, AND THE RISKS OF DAM SAFETY CONCERNS HAVE ALL BEEN BY-PRODUCTS OF OUR DEVELOPMENT EFFORTS. WE HAVE BEEN SLOW TO RECOGNIZE THOSE

PROBLEMS, AND WE ARE STILL LEARNING HOW SEVERE THEY ARE AND HOW TO CORRECT THEM.

ENVIRONMENTAL COSTS.--IN THE UNITED STATES, PUBLIC OPINION NOW MORE HIGHLY VALUES THE LONG TERM ECOLOGIC AND CULTURAL VALUES OF RIVERS AND WATERSHEDS WHICH WERE DISREGARDED 40 OR 50 YEARS AGO. IN THE PAST, WE MADE A CONSCIOUS DECISION TO TRADE OFF ENVIRONMENTAL IMPACTS AGAINST JOBS, POWER PRODUCTION, OR INCREASED AGRICULTURAL PRODUCTION RESULTING FROM A WATER DEVELOPMENT PROJECT.

WHETHER OR NOT THIS WAS THE RIGHT DECISION IS UNIMPORTANT. WHAT IS IMPORTANT IS TODAY, U.S. PUBLIC OPINION PLACES A GREATER VALUE ON ECOLOGIC AND CULTURAL VALUES OF RIVERS. AS A GOVERNMENT AGENCY, WE MUST OPERATE WITHIN THE CONTEXT OF EXISTING PUBLIC VALUES AND OPINIONS.

NEW ALTERNATIVES.--WITHIN THE LAST TWO DECADES, WE HAVE COME TO REALIZE THERE ARE MANY ALTERNATIVES TO SOLVING WATER RESOURCE PROBLEMS IN THE U.S. THAT

DO NOT INVOLVE DAM CONSTRUCTION. NON-STRUCTURAL ALTERNATIVES ARE OFTEN LESS COSTLY TO IMPLEMENT AND HAVE FEWER ENVIRONMENTAL COSTS. FOR EXAMPLE, WE HAVE SEEN THE EMERGENCE OF MORE SOPHISTICATED RESOURCE MANAGEMENT APPROACHES IN BOTH ENERGY AND WATER. WE NOW RECOGNIZE THE BENEFITS OF DEMAND MANAGEMENT AND CONSERVATION; THE VALUE OF WATER PRICING IN HELPING TO SHAPE WATER ALLOCATION DECISIONS; THE IMPORTANCE OF USING MULTI-OBJECTIVE WATER RESOURCE MANAGEMENT THAT FULLY INTEGRATES ENVIRONMENTAL PLANNING IN HELPING US UNDERSTAND THE TRUE, LONG-TERM COSTS AND BENEFITS OF EACH ALTERNATIVE; AND THE VALUE OF OPEN, INCLUSIVE DECISION MAKING IN STIMULATING NEW IDEAS AND AVOIDING COSTLY MISTAKES.

WHAT HAS BEEN THE RESULT OF THESE FORCES?

THE RESULT IS THE DAM BUILDING ERA IN THE UNITED STATES IS NOW OVER. WE NO LONGER CAN COUNT ON PUBLIC OR POLITICAL SUPPORT FOR CONSTRUCTION

PROJECTS. THOSE PROJECTS WE HAVE UNDERWAY WILL BE COMPLETED AS QUICKLY AS POSSIBLE. BUT THE OPPORTUNITY FOR ANY FUTURE PROJECTS IS EXTREMELY REMOTE, IF NOT NON-EXISTENT. INDEED, THE PENDULUM SEEMS TO HAVE SWUNG IN THE DIRECTION OF ELIMINATING STRUCTURAL SOLUTIONS AS A VIABLE OPTION FOR SOLVING JUST ABOUT ANY WATER PROBLEM IN THE UNITED STATES.

### APPROACHING THE NEW REALITIES

HOW HAVE WE IN THE USBR APPROACHED THESE TURBULENT TIMES?

IN RECENT MONTHS, WE HAVE CAREFULLY REVIEWED OUR PAST AND OUR FUTURE, AND WE HAVE COME TO A NUMBER OF IMPORTANT CONCLUSIONS.

FIRST, WE HAVE BECOME REALISTIC ABOUT THE FUTURE. WE RECOGNIZE OUR BUDGET AND OUR STAFFING LEVELS WILL DECLINE, NOT INCREASE. OUR CHOICE IS SIMPLE: WE CAN MANAGE THIS DECLINE OURSELVES, OR LET SOMEONE ELSE DO IT FOR US. WE HAVE CHOSEN TO DO IT OURSELVES.

SECOND, WE HAVE RECOGNIZED OUR TRADITIONAL APPROACH FOR SOLVING PROBLEMS -- THE CONSTRUCTION OF DAMS AND ASSOCIATED FACILITIES -- IS NO LONGER PUBLICLY ACCEPTABLE. WE ARE GOING TO HAVE TO GET OUT OF THE DAM BUILDING BUSINESS. OUR FUTURE LIES WITH IMPROVING WATER RESOURCE MANAGEMENT AND ENVIRONMENTAL RESTORATION ACTIVITIES, NOT WATER PROJECT CONSTRUCTION.

THAT DOES NOT MEAN WE WON'T CONTINUE TO BE AN ENGINEERING ORGANIZATION. WE WILL HAVE TO CONTINUE MANAGING AND MAINTAINING OUR CURRENT INFRASTRUCTURE. ADDITIONAL CONSTRUCTION OF SMALLER FACILITIES WILL BE NECESSARY FROM TIME-TO-TIME. BUT CONSTRUCTION OF LARGE DAMS AND ASSOCIATED WORKS WILL NO LONGER BE OUR REASON FOR EXISTENCE. IMPROVED WATER RESOURCE MANAGEMENT WILL BE.

THIRD, WE CAN'T CONTINUE TO DO BUSINESS THE SAME OLD WAY. PRESIDENT CLINTON AND VICE PRESIDENT GORE HAVE INITIATED A COMPREHENSIVE INITIATIVE TO CHANGE



THE WAY FEDERAL AGENCIES CARRY OUT THEIR ACTIVITIES. ALL FEDERAL AGENCIES ARE SEEKING NEW WAYS OF DOING BUSINESS. THE OBJECTIVE IS TO REDUCE COSTS, ELIMINATE UNNECESSARY PAPERWORK, REDUCE PERSONNEL, AND DELIVER A BETTER PRODUCT IN A SHORTER PERIOD OF TIME. WE HAVE MADE A CONSCIOUS CHOICE TO BE A LEADER IN THIS EFFORT.

### CHANGES TAKING PLACE AT USBR

IN BRIEF, WE NEEDED TO CHANGE, AND CHANGE QUICKLY. AND WE HAVE.

I INITIATED A TOP-TO-BOTTOM REVIEW OF THE AGENCY WHICH HAS LED TO A SIGNIFICANT RESTRUCTURING OF THE USBR WHICH WAS ANNOUNCED LAST MONTH.

THE CHANGES WE'VE MADE ARE BASED ON A NEW PHILOSOPHY -- A PHILOSOPHY THAT BIGGER ISN'T BETTER, AND MORE FEDERAL FUNDS DOESN'T MEAN SUCCESS. MOREOVER, WE'VE EMBRACED A NEW PHILOSOPHY OF DELEGATING DAY-TO-DAY OPERATING DECISION-MAKING TO FIELD PERSONNEL AND GIVING THEM THE RESPONSIBILITY

AND AUTHORITY TO MAKE DECISIONS, WITHIN ESTABLISHED GENERAL POLICY, WITHOUT COMING TO HEADQUARTERS FOR APPROVAL. THIS "EMPOWERING" OF FIELD PERSONNEL WILL ENABLE US TO REDUCE ADMINISTRATIVE OVERHEAD IN THE HEADQUARTERS AND REDUCE THE AMOUNT OF TIME REQUIRED TO MAKE DECISIONS. WE'VE ALSO EMBARKED ON AN AGGRESSIVE RESTRUCTURING DESIGNED TO ELIMINATE LAYERS OF UNNECESSARY MANAGEMENT AND UNNECESSARY BUREAUCRATIC PRACTICES.

SO WHAT IS THE RESULT?

ALTHOUGH WE'VE JUST BEGUN, THE RESULTS ARE IMPRESSIVE.

- WE HAVE REDUCED OUR BUDGET FOR NEXT YEAR BY 12 PERCENT -- A \$93 MILLION REDUCTION (\$820 MILLION TO \$730 MILLION). WE FULLY EXPECT SIMILAR REDUCTIONS IN THE FUTURE.

- SINCE MAY 1993, OUR STAFF LEVEL HAS BEEN REDUCED BY APPROXIMATELY 920 POSITIONS (7,500 TO

6,580). WE ANTICIPATE ADDITIONAL REDUCTIONS WILL TAKE PLACE IN FUTURE YEARS.

- I HAVE REDUCED THE NUMBER OF SENIOR LEVEL MANAGERS FROM SEVEN TO THREE. THE NEW POSITIONS WILL HAVE REDUCED RESPONSIBILITY FOR DAY-TO-DAY DECISIONMAKING.

- OUR FIELD OFFICES HAVE BEEN GIVEN SIGNIFICANT NEW AUTHORITY AND RESPONSIBILITY. THEY HAVE BEEN REESTABLISHED AS "AREA OFFICES" WITH THE RESPONSIBILITY OF ASSISTING IN THE RESOLUTION OF WATER RESOURCE PROBLEMS WITHIN A GIVEN GEOGRAPHIC AREA, IN ADDITION TO THEIR RESPONSIBILITY FOR MANAGING INDIVIDUAL PROJECTS.

- OUR DENVER OFFICE, WHICH HAS THE LARGEST CONCENTRATION OF EMPLOYEES, HAS BEEN SIGNIFICANTLY ALTERED. THE NEW ORGANIZATION, NOW CALLED THE TECHNICAL SERVICE CENTER (TSC), HAS BEEN RADICALLY CHANGED. RATHER THAN BEING A HEADQUARTERS OPERATION, THE TSC WILL NOW BE A CUSTOMER SERVICE

BASED ORGANIZATION WHICH WILL WORK FOR OTHER ELEMENTS WITHIN RECLAMATION.

- IN DENVER AND OUR REGIONAL OFFICES, WE HAVE UNDERTAKEN AN AGGRESSIVE PROGRAM TO REDUCE UNNECESSARY LAYERS OF MANAGEMENT. OUR SUPERVISOR TO EMPLOYEE RATIO WILL CHANGE FROM 1:5 TO 1:15. IN ADDITION, WE HAVE ESTABLISHED AS AN AGENCY GOAL THAT NO EMPLOYEE IS MORE THAN TWO LAYERS OF MANAGEMENT AWAY FROM A REGIONAL DIRECTOR OR THE DIRECTOR OF THE DENVER CENTER.

- WE HAVE ALSO TERMINATED OUR INVOLVEMENT IN A NUMBER OF AREAS, INCLUDING SOME GROUNDWATER RECHARGE DEMONSTRATION PROJECTS, ATMOSPHERIC RESEARCH, AND REHABILITATION OF OLDER PROJECTS. AND WE HAVE CURTAILED OUR INVOLVEMENT IN LOAN PROGRAMS AND RESEARCH PROJECTS.

- WE HAVE LAUNCHED A SERIES OF NEW INITIATIVES. WE HAVE FUNDED A NEW PROGRAM TO ASSIST IN THE CONSTRUCTION OF WASTEWATER RECLAMATION AND REUSE

PROJECTS IN MAJOR WESTERN CITIES. WE HAVE SIGNIFICANTLY EXPANDED OUR INVOLVEMENT AND COMMITMENT TO WATER CONSERVATION PROJECTS. WE ARE ALSO LOOKING FOR NEW WAYS TO REDUCE OUR BUDGET AND DIVEST OURSELVES OF OWNERSHIP OF MANY SMALLER STRUCTURES OR FACILITIES. FOR EXAMPLE, IT NOW COSTS US NEARLY \$200 MILLION A YEAR TO OPERATE OUR EXISTING PROJECTS. THIS NUMBER HAS REMAINED CONSTANT FOR SEVERAL YEARS. WE WILL SOON INITIATE AN "ENTERPRISE FUND" DESIGNED TO ENCOURAGE OUR FACILITY MANAGERS TO OPERATE PROJECTS FOR LESS COST. THIS COULD INCLUDE RETURNING A MAJOR PORTION OF ANY "SAVINGS" TO THEM FOR OTHER ACTIVITIES.

#### GUIDELINES FOR FUTURE ACTIVITY

HOW WILL THE USBR OPERATE IN THIS NEW ERA?

I AM COMMITTED TO OPERATING THE AGENCY WITHIN THE FOLLOWING GUIDELINES.

1. WE WILL MAKE DECISIONS THAT BEGIN IMPLEMENTATION OF SOLUTIONS TO TODAY'S PROBLEMS.

THIS SOUNDS RATHER RUDIMENTARY, BUT LOOK AT OUR RECORD. WE IN THE WATER FIELD SEEM TO SPEND OUR TIME DEBATING PROBLEMS AND NOT IMPLEMENTING SOLUTIONS. SOME PROBLEMS NEVER SEEM TO GET RESOLVED. WE WANT TO AVOID THAT TENDENCY IN THE FUTURE. WE WILL WORK WITH LOCAL GOVERNMENTS TO RESOLVE TODAY'S PROBLEMS QUICKLY AND AT AS LOW A COST AS POSSIBLE.

2. WE WILL OPERATE IN AN OPEN FASHION. WE INTEND TO BE MORE OPEN AND ACCESSIBLE TO OUR CRITICS, AS WELL AS WITH OUR SUPPORTERS. ALL DATA AND INFORMATION ON OUR PROJECTS AND ACTIVITIES WILL BE PUBLICLY AVAILABLE. IN ADDITION, WE WILL BE MORE ACCURATE ABOUT PREDICTING THE ECONOMIC AND ENVIRONMENTAL COSTS OF OUR ACTIVITIES, INCLUDING SECONDARY IMPACTS.

3. WE WILL CRAFT CREATIVE SOLUTIONS TO COMPLEX PROBLEMS, ESPECIALLY SOLUTIONS WHICH INCLUDE NON-STRUCTURAL APPROACHES USING INNOVATIVE FINANCING

ALTERNATIVES. IN AN ERA OF DECLINING BUDGETS, THERE IS NO ROOM FOR EXPENSIVE SOLUTIONS. WE WILL BE SEEKING THE LEAST-COST ALTERNATIVE. MOREOVER, WE WILL BE LOOKING FOR CREATIVE SOLUTIONS THAT DON'T HAVE SIGNIFICANT ENVIRONMENTAL IMPACTS.

4. WE WILL RECOGNIZE THERE WILL BE GREATER AND GREATER COMPETITION FOR WATER, AND WILL WORK HARD TO BALANCE THE NEEDS OF ALL INTERESTS. WE MUST DEVELOP POLICIES AND UNDERTAKE OUR ACTIVITIES SO WE BALANCE THE NEEDS OF ALL INTERESTS WITHIN THE PARAMETERS OF EXISTING LAWS.

5. WE WILL WORK WITHIN THE FRAMEWORK OF EXISTING FEDERAL ENVIRONMENTAL LAWS SUCH AS THE NATIONAL ENVIRONMENTAL POLICY ACT, THE ENDANGERED SPECIES ACT, THE CLEAN WATER ACT, AND OTHERS. THERE IS GOOD REASON FOR COMPLYING WITH THESE LAWS. IF WE DON'T, UNDER OUR GOVERNMENTAL SYSTEM, WE WILL END UP IN COURT. IN OUR EXPERIENCE, AVOIDING COURT-

IMPOSED SOLUTIONS IS BETTER FOR THE AGENCY, OUR CRITICS, AND THE RESOURCES.

6. WE WILL INSTITUTE INNOVATIVE BUSINESS AND MANAGEMENT PRACTICES INTO THE OPERATION OF THE USBR. WE HAVE NO ALTERNATIVE. WITH DECLINING BUDGETS AND PERSONNEL, WE MUST FIND NEW WAYS OF DOING BUSINESS AT LESS COST. THIS WILL INCLUDE INCREASED USER FEES FOR MANY OF OUR ACTIVITIES.

7. WE WILL UNDERTAKE TO CORRECT AND AMELIORATE WHEREVER POSSIBLE THE ENVIRONMENTAL IMPACTS ASSOCIATED WITH THE OPERATIONS OF OUR PROJECTS.

I RECENTLY ANNOUNCED A NEW SET OF OPERATING INSTRUCTIONS FOR GLEN CANYON DAM, ONE OF THE LARGEST DAMS ON THE COLORADO RIVER. IT IS LOCATED UPSTREAM FROM THE GRAND CANYON NATIONAL PARK. THIS ANNOUNCEMENT WAS THE DEMARCATION LINE BETWEEN THE OLD WAY WE TREATED THE COLORADO RIVER AND THE WAY OF THE FUTURE. IT REPRESENTS THE PERFECT EXAMPLE OF OUR COMMITMENT TO MANAGING RIVERS TO MEET THE NEEDS



OF A BROADER SPECTRUM OF INTERESTS, AND REDUCED ENVIRONMENTAL IMPACTS. IT WON'T BE THE LAST SUCH ANNOUNCEMENT.

8. WE WILL EMPHASIZE WATER CONSERVATION, DEMAND MANAGEMENT AND EFFICIENT USE, INCLUDING REUSE, WHENEVER POSSIBLE.

EVERY PROBLEM WE MUST ADDRESS HAS A COMMON THEME. THAT IS: THERE ISN'T ENOUGH WATER IN THE RIVER. THIS SOUNDS ELEMENTARY, BUT IT ISN'T.

MOST WESTERN STREAMS ARE OVER ALLOCATED AND UNDER STRESS. EXCESSIVE USE HAS BEEN CONDONED, EVEN ENCOURAGED, AND LEGITIMATE IN-STREAM USES HAVE BEEN IGNORED OR PROHIBITED.

TO SOLVE THESE PROBLEMS, WE CANNOT BUILD NEW RESERVOIRS. INSTEAD, WE WILL HAVE TO ENCOURAGE THE MOVEMENT OF WATER FROM ONE USE TO ANOTHER. WE BELIEVE CONSERVATION, DEMAND MANAGEMENT, EFFICIENCY IMPROVEMENTS, AND REUSE OFFER OUR BEST OPPORTUNITIES FOR DOING THIS.

9. WE WILL PROMOTE AND ENHANCE OUR EFFORTS AT DAM SAFETY. WE HAVE A PROFESSIONAL DUTY TO OPERATE AND MAINTAIN OUR FACILITIES IN A SAFE FASHION. WE HAVE ONLY HAD ONE MAJOR FAILURE, AND WE ARE DEDICATED TO MAKING SURE WE DON'T HAVE ANY MORE.

10. WE WILL ESTABLISH BETTER WORKING RELATIONSHIPS WITH NATIVE AMERICAN TRIBES. WE NEED TO ASSIST THEM IN SOLVING PROBLEMS AND PROVIDING TECHNICAL ASSISTANCE AS APPROPRIATE. WE HAVE HAD MODEST SUCCESS IN THIS EFFORT TO DATE, AND I'M VERY PROUD OF WHAT WE'VE BEEN ABLE TO ACCOMPLISH. BUT MUCH MORE REMAINS TO BE DONE.

### INTERNATIONAL ACTIVITIES

ONE FINAL NOTE ABOUT THE PARTICIPATION OF THE USBR IN INTERNATIONAL ACTIVITIES. MY ATTENDANCE AT THIS CONFERENCE IS NOT A COINCIDENCE. WE HAVE BEEN AN ACTIVE PARTICIPANT IN ICID AFFAIRS SINCE IT WAS FOUNDED. PREVIOUS COMMISSIONERS HAVE SERVED AS

OFFICERS IN ICID AND SEVERAL OF MY EMPLOYEES CURRENTLY SIT ON OR CHAIR WORKING GROUPS.

THE USBR WILL REMAIN A MEMBER OF, AND AN ACTIVE PARTICIPANT IN, THE AFFAIRS OF THE INTERNATIONAL COMMISSION ON IRRIGATION AND DRAINAGE. THIS ORGANIZATION OFFERS ALL OF US AN OPPORTUNITY TO DISCUSS, DEBATE, AND CONSIDER NEW APPROACHES TO SOLVING THE WORLD'S WATER RESOURCE PROBLEMS. THERE IS MUCH WE CAN LEARN FROM ONE ANOTHER AND WE WANT TO CONTINUE THAT TRADITION.

AS WE UNDERTAKE OUR ACTIVITIES, I WOULD STRONGLY URGE THE ICID TO ENCOURAGE CONSIDERATION OF NON-STRUCTURAL ALTERNATIVES TO WATER PROBLEM-SOLVING AND TO CONTINUE ITS EFFORTS ON MITIGATING THE ENVIRONMENTAL IMPACTS ASSOCIATED WITH THE OPERATION OF PROJECTS.

IN ADDITION, I WOULD URGE YOU TO CONSIDER ONE ADDITIONAL SUGGESTION. GIVEN THE INCREASED IMPORTANCE OF WATER CONSERVATION, I WOULD URGE THE

PERMANENT COMMITTEE FOR TECHNICAL ACTIVITIES TO  
CONSIDER FORMING A WORKING GROUP OR SEPARATE  
COMMITTEE ON WATER CONSERVATION, DEMAND MANAGEMENT,  
AND EFFICIENCY IMPROVEMENTS. SPEAKING FOR THE  
UNITED STATES, THERE IS MUCH WE HAVE TO LEARN FROM  
OTHER COUNTRIES ABOUT HOW TO ADDRESS THE PROBLEMS IN  
THIS IMPORTANT AREA.

### CONCLUSION

AGAIN, THANK YOU FOR GIVING ME THIS OPPORTUNITY  
TO BE WITH YOU THIS AFTERNOON. TO PRESIDENT  
SHAHRIZAILA, SECRETARY GENERAL CHITALE, AND THE  
OTHER OFFICERS OF THIS ORGANIZATION, I WISH YOU A  
MOST PRODUCTIVE MEETING. THANK YOU.

**Remarks of Daniel P. Beard  
Commissioner, Bureau of Reclamation  
National Audubon Society Annual Meeting  
Kearney, Nebraska  
March 18, 1995**

Thank you so much for your warm and gracious welcome. What a thrill it is for me to be here with you at the 1995 Spring River Conference.

The last time I spoke to a gathering of the National Audubon Society was in Asilomar, California, in March 1994.

I can't tell you what a thrilling experience that was for me. During my brief tenure as Commissioner, no group has given me such a warm and enthusiastic welcome as I got that night in Asilomar.

I'm used to speaking before groups where they wave at me -- usually with one finger pointed up in the air. It really is nice to speak before a group where they wave using all five fingers.

When I spoke last year, I outlined the types of changes that would be taking place at the Bureau of Reclamation. These changes were required because the organization now recognizes that the dam building era in the United States is over.

Public and political support for large, traditional water projects no longer exists. The opportunity for new large projects in the future is extremely remote, if not non-existent.

Our future lies in our ability to link the social, economic, and environmental elements of integrated resources management. We must initiate innovative approaches using new techniques to achieve "sustainable water resource management."

When I spoke at Asilomar, it was obvious we needed to change and change quickly. And we have. I'm thrilled to report tonight that the organizational goals I described a year ago have been met. Unfortunately, the broader goals that we share as environmentalists have not been met in many cases -- and are in fact under unprecedented assault.

So I guess I have two topics tonight:

The first concerns our efforts at reform in the Bureau of Reclamation. The second is the state of the environmental movement as a whole.

The changes we've made at Reclamation in the last 22 months are nothing short of spectacular. We have downsized, right-sized, refocused, empowered, delegated, and reorganized. It hasn't been easy, it hasn't been pretty, and it hasn't been fun.

But the leadership of the Bureau, most of whom are here tonight, are convinced that these changes were vital. Even though we're not done, we're proud of what we've accomplished and we're excited about the future.

And a few important people have recognized what we've done. Vice President Gore has given us a Reinventing Government Hammer award and said of our efforts: "If I didn't have one single other example to point to in all of government -- to define reinvention and to encourage others -- the Bureau of Reclamation would be enough."

We've embraced a new philosophy of delegating front operating decision-making to front-line personnel. Giving them the responsibility and authority to make decisions, within established general policy, without coming to headquarters for approval.

I've heard it said that a decision is what someone has to make when he/she can't find anybody to serve on a committee. Well, now Reclamation employees have the authority, indeed, the responsibility, to make decisions, be creative, and take risks.

This empowering of our personnel has enabled us to reduce administrative overhead in the headquarters and reduce the amount of time required to make decisions. We've also embarked on an aggressive restructuring designed to eliminate layers of messy management and bulky bureaucratic practices.

Here are some of the results:

-- In the last two years, we've cut our budget by ten percent, or some \$90 million.

-- We've reduced our workforce from 8,100 to 6,600 in less than two years and have signed buyout agreements with 700 more workers. This will amount to a 25 percent workforce reduction at an estimated annual savings of more than \$100 million.

-- We've reviewed every internal regulation we have -- a bureaucratic thicket which stands 10 feet high. Two feet of the regulations were immediately trashed (actually recycled). The remainder -- nearly 8 ft. -- will be reduced to about six inches of guidelines, not regulations.

-- We've reduced a seven-tiered decision-making structure. Now there are only two, or at most three, levels of authority possible on any decision. To show we were serious about delegating authority, I took the unusual step of abolishing the seven highest positions in the agency.

But even as we have reduced our workforce and overall budget, we have added new programs vital to our new emphasis on efficient water use. In other words, we have slimmed down our organization and become more environmentally responsive at the same time.

For example, we're devoting nearly \$20 million for the construction of wastewater reuse projects in Southern California. These projects will take 130,000 acre-feet of wastewater now polluting Santa Monica Bay and use that water to meet the needs of industrial customers. This is both an environmental and jobs winner. We'll reduce imports of water from Mono Lake, and we'll save jobs.

Elsewhere in Southern California, we're using Americorps volunteers and others to retrofit plumbing in low income homes with water-efficient fixtures. Once again, saving water and creating jobs.

Such projects reflect the new face of Reclamation. They will continue to comprise an increasing percentage of our energies and budget.

In meeting our new goals, we have initiated some exciting partnerships to get the work done. Some of these activities Reclamation has initiated with the National Audubon Society, for example:

- In Montana, we're assisting the Society in conducting their annual Breeding Bird Surveys by providing transportation and volunteers.
- In North Dakota and Colorado, we are converting agricultural lands back to native prairie to reestablish habitat for wildlife and migratory birds.
- And we are engaged in preliminary negotiations to initiate a national Memorandum of Agreement for bird surveys.

In addition to National Audubon, Reclamation is heavily involved with national organizations such as:

- Partners in Flight, identifying priority conservation needs for neo-tropical migratory birds;
- America Outdoors, sponsoring their annual river and land management conferences;
- Trout Unlimited, maintaining and enhancing the productivity of coldwater fishery resources, and supporting a conference on in-stream flows; and

- nearly \$3 million in projects with the National Fish and Wildlife Foundation.

What we are trying to do through these agreements is create effective environmental partnerships. Such partnerships offer our best hope for solving the many Western water resource problems.

But what most worries me -- and here is where I want to switch gears -- what concerns me is that so many in the environmental movement today seem to be so discouraged.

People were dispirited and dejected about the lack of environmental progress in the last Congress.

And now they are fearful, almost cowering, about assaults on the environment in the current Congress.

Many environmentalists seem to be longing for the good old days. As if we had now entered the nostalgic twilight of the movement's halcyon days. As if the tremendous gains of the last thirty years cannot be sustained or improved.

We seem to be at a low ebb. A kind of passive, palms-up, nonchalance has infected many people.

Many environmentalists seem willing to shrug their shoulders and retreat at the first hint of controversy. Their passion for clean water, clean air, protected species, and other goals seems to be withering under the bravado coming from Washington, D.C.

Well, speaking for myself, I reject this attitude.

The problems that sparked the environmental movement thirty years ago still exist today. And the values that led you and me to fight so hard to solve those problems still burns within our hearts and the hearts of millions of Americans.

I was nominated and confirmed as Commissioner of the Bureau of Reclamation because of what I knew and the values I held.

This organization and others in the environmental community supported my appointment. I was proud to have your support and I know why I got it.

I felt then, and I still feel today, a burning passion to solve the environmental problems associated with Western water issues. The Bureau of Reclamation needed changing, and someone with strong environmental credentials was the person to do it.



In the refrain of the old political machines, I remember who brought me to the dance. And I don't intend to leave with someone else.

I for one am not about to turn my back on my commitment to solving environmental problems. I have spent my entire professional life fighting to solve these problems. I'm not about to abandon my beliefs because of one election.

I'm not a blind zealot, or an "Earth Firster." I believe there's a need to find solutions to problems that are sensitive to the environment, allow for a healthy economy, and protect individual rights.

Sure, I think there are some lessons to be learned from recent developments in environmental policy. A few of these might include --

- Give as much attention to the implementation of existing laws, as to the enactment of new ones. In other words, keep an eye on the executive as well as the legislative branches of our government. In many cases, the administrative discretion under current law is broad enough to accomplish much good, if the agency officials are made aware of strong public support.

- Don't judge the success of programs by the perceived anguish of traditional adversaries. Although complete consensus on environmental issues is seldom obtained, proposed solutions that leave significant interests seriously aggrieved may be sowing the seeds of unavoidable backlash. The most effective advocates are those who listen carefully to their would-be opponents, and find ways to deal with their legitimate concerns.

- Build strong local organizations. Effective volunteer action does not come easily for most people. All of you here understand only too well that public participation and environmental advocacy involves nights and weekends away from families, sometimes on issues that can remain heated for months or even years. One of the most important contributions that national environmental organizations can make is the investment in skill-building at the local level, to translate the latent environmental values of the American people into an effective voice on the Main Streets and in the State Capitols all across the country.

Now we all know that there is a new cadre of anti-environmentalists in Washington, eager to strike while they perceive the iron to be hot. They have been spending their days huffing and puffing about the "mandate" they've gotten for attacking the environment. "The people have spoken," they say, "its time to repeal all these burdensome laws and regulations."

Many in the environmental community seem more than willing to sit back and let anti-environmentalists spin their "repeal" record as if it were the most popular song in the country.

Three recent national polls prove what we all know: The vast majority of Americans support strong environmental laws and they don't want them weakened.

For example, 60 percent of Americans say that regulations to protect endangered species have not gone far enough. That's right, I said: "have not gone far enough!"

Only 4 percent of Americans believe that government has gone overboard in protecting water quality.

By way of comparison, 8 percent of Americans still think Elvis is alive.

Look at an interesting example of how these anti-environmentalists know their position isn't really that strong.

The American Mining Congress recently conducted its own poll, and found, of course, that Americans overwhelmingly demand that mining companies pay higher royalties.

So the AMC circulated an internal memo stating that the poll "provides the most concrete evidence that the industry should not conduct the Mining Law battle in public view."

Translation: if they can keep the truth from getting out, they will be able to enact laws to rollback environmental requirements.

Just this week the House of Representatives moved to undermine some of the most important environmental legislation of the last quarter century. The House gutted key-emissions control programs under the Clean Air Act, stripped funding for endangered species listings and protection programs, and mandated large timber salvaging which threatens the health of wildlife and streams.

Earlier this month, the House passed "takings" legislation which would require the government to compensate land owners under a long series of scenarios in which such owners are merely complying with basic environmental law. Furthermore, it provided that farmers, ranchers and others who receive federal subsidies, such as cheap water, must be compensated by the government if they are asked at some future date to pay the market price of the subsidies. That provision gives "takings" an entirely new meaning--it is the taxpayer who is being taken.

All of these changes greatly concern me--as I know they do you.

My plea tonight is to urge you and everyone else in the environmental community to get up off the mat. Don't let the bravado of a few people lead you to abandon what we've fought so hard to achieve.

The Endangered Species Act, the Clean Water Act, the Clean Air Act, and other environmental laws don't need to be repealed. And we shouldn't let it happen.

They need to be administered in a fair and effective manner.

Let's stop the defeatist talk. Let's roll up our sleeves and get to work.

I recognize there is a lot of gray hair -- including mine -- in this room. I realize you probably feel like me. I've done this once before, why do I have to do it again?

Well, the answer is . . . we must. There is too much at stake.

We don't have to do it all ourselves, or do it the way it was done in the 1960s or 1970s.

Much of the future leadership must come from the local level, not the national level. Washington needs to establish and maintain many vital environmental laws and regulations.

But even as Americans say they are as committed to environment, we must acknowledge a desire on their part to see more local control over many issues.

And that may be the next step in the environmental movement. The old Earth Day adage "Think globally, act locally" has never been more on-target.

Besides working closer to the problem at hand, local level support establishes a trust that government agencies can never duplicate.

Think about it. How did the environmental movement get started in the first place?

It got started in 10,000 places at once. In big and small towns all across America, when people started realizing we were putting our greatest natural resources and public health in jeopardy.

The environmental values you and I share are under assault.

Now is not the time for retreat. It is time for us to stand up, dust ourselves off, and enter the fray again.

I urge you...join me in this crucial battle.

# Work of Public Servants Praised by Seasoned Fed

Dan Beard

I have a confession to make: I have worked in government for more than two decades. Even more scandalous, I am a political appointee who believes it is an honor to work with career public servants. I guess those are dangerous things to admit these days, given the strong undercurrent of suspicion and mistrust surrounding public service. But they are beliefs I have expressed throughout my career—and they are especially important to emphasize now that I am leaving government.

We seem to be awash in a steady media diet of supposed examples of government employees who have gone too far. Of power-mad bureaucrats harassing private citizens or squeezing the life out of small business and property owners.

For a growing number of critics, everything that a government does is viciously wrong, or at least hopelessly wrong headed. According to them, we cannot rely on public servants to strike a fair balance between the public good and economic security.

Most of the critics of government rely on a volatile mixture of myth and innuendo to make their case. They ignore the amazing contributions that millions of government workers have made to American prosperity, peace, happiness and yes, freedom.

How completely different is today's atmosphere from the beginning of this century, an era dominated by the first true Republican reformer, Teddy Roosevelt. Roosevelt believed most deeply and passionately in the values of public service.

"The first duty of an American citizen," he once said, "is that he should work in politics; the second is that he shall do that work in a practical manner, and the third is that it shall be done in accord with the highest principles of honor and justice." Roosevelt spent five years as a member of the U.S. Civil Service Commission, and, as its leading reformer, worked to dismantle the spoils system and institute what we have today: a merit-based civil service system.

Before we malign government workers, let's think about who they really are.

They are the people who led the rescue in Oklahoma City—not who caused it. They are the ones who are charged with apprehending those suspected of being responsible. Every day, they make their contributions to society, ensuring our food is safe to eat, the water fit to drink and the air clean enough to breathe, teaching our children to read and write, protecting our neighborhoods and our nation as a whole. Public servants are not monsters, and they are not strangers. All of us know them—they are our neighbors, friends, parents, children.

They are there to serve. Yes, they should be held strictly accountable and be efficient. And yes, sometimes they will do things that annoy us. Who wants to be given a parking ticket—until someone blocks us in or out by parking illegally?

Who wants to be made to conform to strict environmental laws—until we want clean water and air? Who wants government at all—until we want well maintained highways, first-class public universities, tremendous medical and scientific technology, incredible national security

and so on?

Public servants should not be castigated for doing their jobs. Most do a job that we couldn't do without. They deserve our respect.

The highest reward for any work is not what you get for it, but what you become by it. It is the goal of most government workers that our country become better by their work.

We should and do have vigorous debate about what our government should be involved in. But, we can have it without vilifying public servants.

To all our nation's public servants, I say "thank you." You do a great deal of good for this country and the world—much, much more than many now give you credit for.

*Commissioner Dan Beard is leaving the U.S. Bureau of Reclamation in September. This article is based on a commencement address given at the University of California, Berkeley.*

**From:** DIST\_A:DontReplyToSender (zz8da7900) (zz8da7900)  
**To:** Dist\_A\_Wash, Dist\_A\_Den, Dist\_A\_Regions  
**Date:** Monday, June 12, 1995 10:39 am  
**Subject:** DAN BEARD'S FUTURE PLAN

THE FOLLOWING MESSAGE WAS RECEIVED BY D-7900 FROM THE DEPARTMENT OF THE INTERIOR FOR DISTRIBUTION TO ALL RECLAMATION EMPLOYEES ON JUNE 12, 1995.

Distributed by LAN on June 12, 1995

NOTE TO SUPERVISORS: Please ensure that all employees not utilizing the LAN system receive this information.

Please Reply to: No Reply Necessary

June 12, 1995

#### MEMORANDUM

TO: All Reclamation Employees

FROM: Dan Beard

SUBJECT: My Future

Attached is a letter I've sent to President Clinton informing him of my decision to resign as Commissioner of the Bureau of Reclamation effective September 1, 1995.

It has been an honor and privilege to serve as your Commissioner over the past two years. I want to thank all of you for your support and assistance as we've undertaken the remarkable transformation of the Bureau.

I'm very proud of the accomplishments we've achieved together. I'm convinced that our decisions to empower field personnel, delegate decisionmaking authority, and reduce unnecessary management layers will lead to lasting changes in the Bureau.

When I first came, I said our goal should be to make the Bureau of Reclamation the preeminent water resource management agency in the work. In my view, we've achieved that goal. You are the very best in the world.

I haven't decided what I'll do next. I'll begin by getting reacquainted with my family.

Again, thank you for all your support and encouragement.

**Files:**

RESIGN.LTR

June 12, 1995

The Honorable William J. Clinton  
President  
The White House  
1600 Pennsylvania Ave., N.W.  
Washington, D.C. 20500

Dear Mr. President:

I'm writing to inform you of my decision to resign as Commissioner of the Bureau of Reclamation effective September 1, 1995.

I want to thank you for providing me with the opportunity to serve you, Vice President Gore and Secretary Babbitt during the last two years. It has been a memorable experience for me and I'm very proud of the accomplishments we have achieved together.

At my confirmation hearings, I noted that the Bureau of Reclamation was an organization with a proud history of service to Western States and communities. But the traditional role of the Bureau as a civil works construction agency had come to a close.

The challenge for this Administration, as well as all Bureau employees, was to help shape Reclamation's future mission, consistent with the realities that face all Federal agencies and the West.

My goal was to make the Bureau of Reclamation the preeminent water resource management agency in the world. In my view, we have achieved that goal. The restructuring of the Bureau of Reclamation can be counted as one of the genuine success stories of this Administration.

These successes include a wide variety of innovative initiatives designed to restructure the agency and prepare it to meet the challenges ahead.

- Reclamation has been given a new mission as a water resource management agency assisting Western states and communities to solve contemporary water problems.
- We have worked to reduce the agency's budget from \$911 million in fiscal year 1993 to \$804 million in fiscal year 1996. More importantly, the budget priorities



have been revamped substantially to reflect our new mission and policy reforms.

- Reclamation has been downsized from 7,965 employees in May 1993 to 6,474 in June 1995. This represents a 20 percent reduction in our workforce.
- The agency has been completely restructured and reorganized. Every office has been changed to reflect our new mission and direction.
- Agency operations have been revised to delegate greater decisionmaking authority to field personnel and the involvement of headquarters in day-to-day operating decisions also has been reduced. Reclamation has eliminated at least two layers of management throughout the organization.
- A host of bureaucratic procedures and other red-tape requirements have been eliminated. This includes reducing an eight foot high stack of regulations into six inches of guidelines.
- Customer service has now become the foundation for our operations.
- Innovative programs designed to improve communications between Reclamation employees and management have been instituted. For example, every employee can communicate directly with me through our computer system. Over 1000 employees have taken advantage of this opportunity and I've personally responded to all of them.
- A "mini-sabbatical" program has been implemented where every employee is encouraged to work temporarily in a new capacity with another office in Reclamation, another Federal agency, or one of our customers.
- A series of family-friendly workplace initiatives, designed to make Reclamation a more humane place to work, have been implemented.

These reforms have received well-deserved recognition. Vice President Gore awarded us a Reinvention Hammer Award for our efforts in May 1994. In addition, the Ford Foundation and Harvard University recently announced that Reclamation was selected as a semi-finalist in their "Innovations in American Government" award program.

I'm very proud of these accomplishments. I'm equally proud of the policy reforms we've initiated to meet the changing needs of the West.

- We have helped make water conservation an integral part of solving contemporary water problems. Using grants, technical assistance, loans, and even the Americorps National Service program, we've implemented a host of water conservation projects throughout the West.
- During the past three budget cycles, we've initiated funding for several wastewater reclamation and reuse projects. These projects have helped bring new, drought-resistant water supplies to communities in arid areas, particularly Southern California.
- A new partnership program has been started that will forge a more effective working relationship between Reclamation and its customers.
- A program has been initiated that will transfer title or operation and maintenance responsibility for water projects and facilities to local entities. This will return control of project operations to local officials and reduce Federal expenditures.
- Reclamation has become a forceful advocate for reducing the environmental impacts associated with the development and management of water projects.
- We have implemented a native American trust asset protection policy and substantially expanded technical assistance to native American tribes in the West.
- Reclamation played a major role in helping to forge the Bay/Delta Agreement in California.
- We've successfully implemented the many provisions of the Central Utah Project Completion Act and the Central Valley Project Improvement Act.
- Reclamation has placed a high priority on constructing several important rural water supply systems, especially in North and South Dakota.
- Finally, Reclamation has become a leader in promoting progressive water resource policies internationally. Just last month, for example, we held a joint water

President William J. Clinton  
June 12, 1995  
Page 4

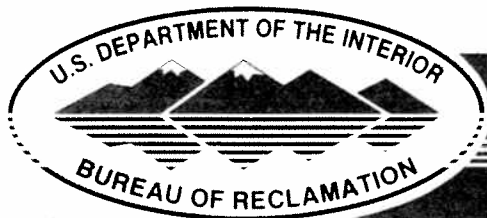
conservation symposium with the Ministry of Water  
Resources of the People's Republic of China in Beijing.

Mr. President, it has been an honor and a privilege to serve  
you as Commissioner of the Bureau of Reclamation for the past two  
years. Thank you for the opportunity and your support.

With kindest regards, I am

Sincerely yours,

DANIEL P. BEARD  
Commissioner



UPPER COLORADO REGION

**NEWS RELEASE**

Salt Lake City, Utah  
Contact: Paul Bledsoe (202) 208-4662  
For Release June 12, 1995

RECLAMATION COMMISSIONER BEARD TO RESIGN EFFECTIVE SEPTEMBER 1

(Washington, D.C.) -- In a letter delivered to President Clinton today, U.S. Bureau of Reclamation Commissioner Daniel P. Beard announced his resignation effective September 1, 1995.

Beard, who was confirmed as Commissioner in May of 1993, noted in his letter to the President that, "My goal was to make the Bureau of Reclamation the preeminent water resource management agency in the world. In my view, we have accomplished that goal."

After notifying the President, Beard met with all of Reclamation's employees in Washington to announce his intentions. In addition, Beard sent a message to all Reclamation employees throughout the West thanking them for their dedication and professionalism.

Beard, 52, has not announced his plans after September.

The text of Commissioner Beard's letter to the President is attached.

--BOR--

The Honorable William J. Clinton  
President  
The White House  
1600 Pennsylvania Ave., N.W.  
Washington, D.C. 20500

Dear Mr. President:

I'm writing to inform you of my decision to resign as Commissioner of the Bureau of Reclamation effective September 1, 1995.

I want to thank you for providing me with the opportunity to serve you, Vice President Gore and Secretary Babbitt during the last two years. It has been a memorable experience for me and I'm very proud of the accomplishments we have achieved together.

At my confirmation hearings, I noted that the Bureau of Reclamation was an organization with a proud history of service to Western States and communities. But the traditional role of the Bureau as a civil works construction agency had come to a close.

The challenge for this Administration, as well as all Bureau employees, was to help shape Reclamation's future mission, consistent with the realities that face all Federal agencies and the West.

My goal was to make the Bureau of Reclamation the preeminent water resource management agency in the world. In my view, we have achieved that goal. The restructuring of the Bureau of Reclamation can be counted as one of the genuine success stories of this Administration.

These successes include a wide variety of innovative initiatives designed to restructure the agency and prepare it to meet the challenges ahead.

- Reclamation has been given a new mission as a water resource management agency assisting Western states and communities to solve contemporary water problems.
- We have worked to reduce the agency's budget from \$911 million in fiscal year 1993 to \$804 million in fiscal year 1996. More importantly, the budget priorities have been revamped substantially to reflect our new mission and policy reforms.
- Reclamation has been downsized from 7,965 employees in May 1993 to 6,474 in June 1995. This represents a 20 percent reduction in our workforce.
- The agency has been completely restructured and reorganized. Every office has been changed to reflect our new mission and direction.

- Agency operations have been revised to delegate greater decisionmaking authority to field personnel and the involvement of headquarters in day-to-day operating decisions also has been reduced. Reclamation has eliminated at least two layers of management throughout the organization.
- A host of bureaucratic procedures and other red-tape requirements have been eliminated. This includes reducing an eight foot high stack of regulations into six inches of guidelines.
- Customer service has now become the foundation for our operations.
- Innovative programs designed to improve communications between Reclamation employees and management have been instituted. For example, every employee can communicate directly with me through our computer system. Over 1000 employees have taken advantage of this opportunity and I've personally responded to all of them.
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These reforms have received well-deserved recognition. Vice President Gore awarded us a Reinvention Hammer Award for our efforts in May 1994. In addition, the Ford Foundation and Harvard University recently announced that Reclamation was selected as a semi-finalist in their "Innovations in American Government" award program.

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President William J. Clinton  
June 12, 1995  
Page 4

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- We've successfully implemented the many provisions of the Central Utah Project Completion Act and the Central Valley Project Improvement Act.
- Reclamation has placed a high priority on constructing several important rural water supply systems, especially in North and South Dakota.
- Finally, Reclamation has become a leader in promoting progressive water resource policies internationally. Just last month, for example, we held a joint water conservation symposium with the Ministry of Water Resources of the People's Republic of China in Beijing.

Mr. President, it has been an honor and a privilege to serve you as Commissioner of the Bureau of Reclamation for the past two years. Thank you for the opportunity and your support.

With kindest regards, I am

Sincerely yours,

DANIEL P. BEARD  
Commissioner

GP NEWS SUMMARY - 6/13/95

6/13 - 5TH TOP INTERIOR OFFICIAL RESIGNS FROM BABBITT'S STAFF;  
REPLACEMENT REPORTEDLY TAPPED TO TAKE RECLAMATION COMMISSIONER'S JOB  
Adrienne Flynn, Arizona Republic Washington Bureau

WASHINGTON -- At a time when Congress is drafting wholesale changes to laws involving public lands and the environment, Interior Secretary Bruce Babbitt's top staff is thinning rapidly.

**Bureau of Reclamation Commissioner Dan Beard** announced Monday that he will leave the Interior Department on Sept. 1. He becomes the fifth top Interior official to announce his resignation. Beard, 52, said he has no immediate job plans and that he exits with "no undercurrents." He said that he accomplished his two-year goal of modernizing and streamlining the bureau and that it's time for someone else to manage changes. "I was given the freedom to go out and do some innovative things. I think the results show the kind of support I've gotten from the administration. There's no dissatisfaction or anything else."

He joins a lengthening list of departures. Betsy Rieke, assistant secretary for water and science and former Arizona director of water resources in Gov. Fife Symington's administration, left June 1 to become director of the Natural Resources Law Center at the University of Colorado Law School in Boulder. She and Beard were Babbitt's brain trust on water issues.

Babbitt Chief of Staff Thomas Collier departs July 1 and is considering a return to private-law practice. Kevin Sweeney, Babbitt's communications director, is moving to California.

Jim Baca, Bureau of Land Management director, made the most public departure. A blunt, outspoken man who tried to ramrod grazing reform, Baca left after differences in "management style" with Babbitt in February 1994. The exodus has left environmentalists worried about the future, particularly those who are concerned with water issues.

Hal Candee, director of the Western Water Project for the Natural Resources Defense Council, said, "Given the current congressional assault on 25 years of environmental legislation, it is vitally important the Clinton administration replace Commissioner Beard and Assistant Secretary Rieke with individuals who will fight vigorously to defend the nation's environmental laws and protect our natural resources."

The Republican Congress has been particularly tough on Interior, slashing budgets for its science agencies and parks, passing laws that require market-rate compensation for any land taken by the federal government to protect endangered species, and promising a reformed Endangered Species Act that Babbitt said would "gut" the law.

There is a more worrisome question for Babbitt: whether he will be able to get new directors through the confirmation process in the heat of



the battle. "He's going to have to find people who can pass the right-wing litmus test," said Jeff DeBonis, executive director of Public Employees for Environmental Responsibility. "I have no idea of what they'll be able to do in bringing in a team that's really reform-minded." He said Babbitt may have to leave agency directors in an "acting" capacity to avoid the confirmation process, as he has done with the BLM since Baca's departure 16 months ago.

Babbitt was traveling Monday and could not be reached for comment, said Mary Helen Thompson, his press secretary.

Babbitt Chief of Staff Collier said the departures won't affect department operations, particularly since qualified replacements already are lined up for most jobs. Patricia Beneke, associate Interior solicitor for energy and resources issues, has taken Rieke's place in an acting capacity. Collier said she likely will be the permanent replacement. Deputy Interior Solicitor Anne Shields will become chief of staff. Michael Gauldin, director of public affairs for the Department of Energy, will take Sweeney's place.

Collier said a "Westerner" with a strong background in Western water issues already has been tapped to take Beard's job, although he would not reveal the candidate's name. "I think we will make the transition without a hitch," he said. "I don't think it affects it at all. I think these changes are minor in the scheme of things."

Sid Wilson, director of the Central Arizona Water Conservation District, which operates the Central Arizona Project, still is worried about the fate of the repayment agreement for the aqueduct system that was reached in March and is now languishing without Babbitt's signature. Rieke was instrumental in negotiating the agreement, which requires the district to reimburse the federal government for construction costs of \$1.9 billion over 50 years. "We're uneasy, because we don't know (who replacements will be)," Wilson said. "We're concerned that knowledgeable committed people are in place, assuming the agreement does get signed, to move us through all the action steps needed to implement it."

\* \* \*

6/13 - THE FEDERAL DIARY, Mike Causey, Washington Post

### On the Side of Workers

Fifteen Republican House members, who represent districts chock-full of federal workers and retirees, have urged the House Budget Committee not to single out federal employees as targets for budget cuts.

The Senate and House are working on recommendations -- which probably won't be firmed up until September or October -- that could affect future pay raises, annuities, health premiums, and the take-home pay of federal workers.

James Lee Witt, FEMA director, said the government wants to squeeze the most out of every federal dollar. Devils Lake is a 3,800-square-mile basin with no outlet. The current water level, slightly more than 1,435 feet above sea level, is more than 13 feet higher than during the last year of a 6-yr drought, and the lake volume has doubled. The basin has sustained \$5.2 million in damages to property and buildings, \$18.1 million in damages to roads, and \$5 million to the Sioux Indian Reservation. (The Forum)

Cody, WY - 6/3 - WATER PROPOSAL QUESTIONED. A proposed federal law requiring irrigators to develop water conservation plans would hurt Park County farmers, the county commissioners said. Some provisions of the Reclamation Reform Act would constitute an unfunded mandate, the commission said. Farmers in the area have entered into a \$15 million program to repair and upgrade irrigation facilities. They are also paying \$2 for each acre they irrigate for the work. The new rules could raise the cost for the work by another \$3 per acre. (Billings Gazette)

Pierre, SD - 6/1 - IRRIGATION DISTRICT GETS \$1 MILLION STATE GRANT. Belle Fourche Irrigation District won approval for a \$1 million state grant, ending a months-long struggle behind the scenes about whether the money was to be a grant or a loan. The bottom line: "They didn't have the ability to pay back the loan," said Greg Powell, an official in the state Division of Water Management. The money is for the latest round of rebuilding and improving part of the irrigation project, first organized in 1904. (Rapid City Journal)



the Director's Corner . . .

*Continued from page 1*

# Commissioner's Farewell

By Daniel P. Beard

consisted of distinguished representatives with public service, academic, and private-sector backgrounds.

As an observer, it was interesting to watch the dynamics as the presenters crammed several years of significant accomplishments into 5-minute presentations, while the panelists were faced with making difficult choices among a group of excellent programs. In actuality, all the finalists were already "winners" with the top 15 to receive \$100,000 and the remainder to receive \$20,000.

Since the finalists were from all three major sectors of government, the presentations varied greatly. Many dealt with creative ways of delivering basic services at the state and local government level while several were based on the innovative use of technology.

In reflecting on the presentations, I was struck by the rapid fundamental change that Reclamation has undergone over the last several years. No other organization has gone through such a dramatic transformation in terms of program, structure, size, and processes. These changes have been painful, and many do not agree with the course that has been set. However, I have continually been impressed with the character and resiliency of Reclamation and its people. When you look at the work that has continued to be accomplished during this period of change, Reclamation is truly a remarkable organization.

The final selections are due to be announced in Washington, DC, on October 26. All of you should be proud of your efforts. We thank you very much!

**A**s you know, I am leaving Reclamation in September, and this is therefore a somewhat reflective time for me.

I want to thank you one last time for all of your support and assistance during our remarkable transition. It is my sincere view that Reclamation has become the premiere water management agency in the world.

And what is an agency but the compilation of the people who work for it. So that means you are the very best in the world. You deserve the credit.

If you've read any of my speeches or press interviews lately, you've noticed that I always take the opportunity to promote what we've done together at Reclamation.

Then I explain that we've gone as far as we can for right now. More progress will likely take more basic, fundamental changes in the way government employees, services, and facilities are viewed. Serious roadblocks remain to bringing government cost-effectiveness up to private-sector standards, most of it due to a lack of trust in Federal workers.

I often mention the remarkable results Reclamation gained from giving more trust and autonomy to our employees. Think of the powerful effects if all Federal Government workers—some two million—were involved.

That is where I hope the culture of Federal Government moves.

In the meantime, though, Reclamation will be a good role model.

One thing I can say about my experience with Reclamation: there was never a dull moment.

Thank you for helping make my tenure so challenging and exhilarating. I'm happy to leave knowing Reclamation's future is full of innovative possibilities—the sort that a talented group of people as you can make the most of.

**CENTERLINE** is a monthly newsletter for Reclamation employees and retirees published by the U.S. Department of the Interior, Bureau of Reclamation, Denver Office. **CENTERLINE** is designed to enhance communication and provide—in a timely, accurate, and understandable form—information on subjects of interest or concern to our readers.

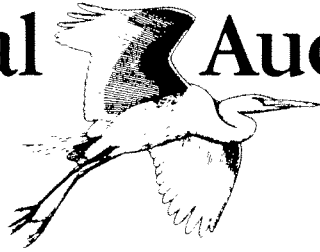
Articles, ideas, and suggestions are welcome, as are notices of upcoming events, meetings, or activities. Articles should be double-spaced, typed, and no more than two pages in length. Please submit information on the LAN to LBELD or a computer disk and include photographs whenever possible. **Deadline** for submitting articles is the **10th of each month**. Articles received after that date will be published the following month. Material is subject to editing, and publication is not guaranteed.

Send correspondence or address changes to: Bureau of Reclamation, Attention: Managing Editor, D-8620, PO Box 25007, Denver CO 80225-0007, 303/236-6789, extension 456.

*Louisa Beld, Managing Editor  
Monica Rodriguez & Tina Armentrout,  
Desktop Publishing*

*Technical Communications Group  
Technical Service Center*

# National Audubon Society



ROCKY MOUNTAIN REGIONAL OFFICE  
4150 Darley Avenue, Suite 5, Boulder, Colorado 80303

Arizona  
Colorado  
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Wyoming

November 26, 1996

Bret

Life is full of many interesting twists and turns, and I've certainly done my share of twisting and turning this year!

That's right ... I'm about to embark on another adventure!

Starting December 1st, I've been reassigned to be Audubon's Senior Vice President for Public Policy and director of our Washington, D.C. office. Yes, that's right, I'm leaving Boulder, Colorado for Washington, D.C.!

I've enjoyed my time here in Boulder, but the lure of Washington, D.C. and the desire to re-engage in policy debates was just too much. Some people call it "Potomac Fever"; I call it "Potomac Fun". I'm really looking forward to getting back to D.C., and being re-united with friends, former associates, and even my opponents!

For future reference, you can reach me after December 1st at our Washington office (1901 Pennsylvania Ave., N.W., Suite 1100, Washington, D.C. 20006) at (202) 861-2242; the fax is (202) 861-4290. My email address -- "dbeard@audubon.org" -- remains the same.

I look forward to seeing you soon.

Warmest regards,

  
Daniel P. Beard

**Brit Storey - Change of Address**

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**From:** "BEARD, Dan" <dbeard@audubon.org>  
**To:** "Barry Nelson (E-mail)" <BNelson@nrdc.org>, "Barry Nelson (E-mail)" <bnelson@nrdc.org>, "Bart Koehler (E-mail)" <wsc@twsw.org>, "Bay Don (E-mail)" <donbay@ctaz.com>, "Becky Sczudlo (E-mail)" <rebecca\_sczudlo@bm.com>, "Berit M. Lakey (E-mail)" <blakey@ncnb.org>, "Bill Cooke (E-mail)" <wcooke@audubon.org>, "Bill Kier (E-mail)" <wkier@pacbell.net>, "Bill Lambrecht (E-mail)" <blambrecht@post-dispatch.com>, "Bill Meadows (E-mail)" <bill\_meadows@twsw.org>, "Bill Schweke (E-mail)" <schweke@cfed.org>, "BARNES, Bob" <bbarnes@audubon.org>, "Bob Nysten (E-mail)" <rnylen@rcn.com>, "Bob Tuttle (E-mail)" <ratuttle@juno.com>, "Bradley F. Smith (E-mail)" <Bradley.Smith@wwu.edu>, "Brenda Harris (E-mail)" <BHARRIS@usbr.gov>, "Brenda Russell (E-mail)" <brenda\_russell@csx.com>, "Brian Miller (E-mail)" <millerbw@bp.com>, "Brian Peck (E-mail)" <glrbear@ptinet.net>, "Brit Allan Storey (E-mail)" <bstorey@do.usbr.gov>, "Brooks Grasso (E-mail)" <bgrasso@columbiabank.com>, "Bruce D. Long (E-mail)" <brucedlong123@aol.com>, "Bruce Driver (E-mail)" <bcdriver@lawfund.org>, "Bruce McNaught (E-mail)" <bruce@bcas.org>  
**Date:** 12/27/02 4:51 PM  
**Subject:** Change of Address

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## Friends

Please excuse the impersonal nature of this email and any duplicate postings. As of January 1, 2003, I'll be leaving Audubon and starting a new career as a consultant. Here's how you can reach me after January 1:

Dan Beard  
11002 Willow Bottom Dr.  
Columbia, MD 21044-1065  
Phone: (202) 255-1534  
Fax: (410) 772-9293  
Email: danbeardconsulting@comcast.net

Dan

**From:** "Beard Daniel" <beard\_daniel@bah.com>  
**To:** <agordon@gwu.edu>, <abe\_haspel@ios.doi.gov>, <adam@bornfreeusa.org>, <pierson\_al@bah.com>, <alm@vnf.com>, <alan\_stone@harvard.edu>, <apratt@audubon.org>, <echols@conrod.com>, <allison@acnpweb.org>, <amoseno@aol.com>, <asterrell@comcast.net>, <ayank@naturalresourcescouncil.org>, <abrock@npca.org>, <maurey72@yahoo.com>, <andeher@comcast.net>, <bwirth@uc.usbr.gov>, <wsc@twos.org>, <bcody@crs.loc.gov>, <erieke@mp.usbr.gov>, <wkier@pacbell.net>, <bill\_meadows@twos.org>, <bjohnson@lc.usbr.gov>, <rlamb@fonz.org>, <bobwill@cox.net>, <Bradley.Smith@wwu.edu>, <BHARRIS@usbr.gov>, <bblackwelder@foe.org>, <millerbw@bp.com>, <bstorey@do.usbr.gov>, <Bruce.Babbitt@raintreeventures.com>, <bruce.beard@osd.mil>, <brucedlong123@aol.com>, <clmnm@yahoo.com>, <Camenterp@aol.com>, <cdinges@asce.org>, <catherine@catherinebeard.com>, <celia\_boddington@blm.gov>, <cdougher@aol.com>, <ccurtis@unfoundation.org>, <charles\_foster@harvard.edu>, <charlie@charliebeard.com>, <cdennerlein@msn.com>, <cmh@maine.rr.com>, <ckenney@usbr.gov>, <ddavis@camplowell.com>, <cking@cmkcoaching.com>, <cfox@pewtrusts.org>, <Cliff.Sloan@wpni.com>, <cbell@wswc.state.ut.us>, <cbattle@fabclen.com>, <DALE\_PONTIUS@doi.gov>, <danadamson@dwt.com>, <limmer@itctel.com>, <ExploreCompany@aol.com>, <minerva\_dana@bah.com>, <dsp@vnf.com>, <dconrad@nwf.org>, <dhpardoe@verizon.net>, <dhales@worldwatch.org>, <agresources@erols.com>, <dbrynildsen@cts.ucla.edu>, <knopman@rand.org>, <dmiller@dennymiller.com>, <dgroves@refugenet.org>, <destryjarvis@earthlink.net>, <Diane.Clark@c-b.com>, <Richard.Meltzer@wc.ey.com>, <Dcraig@aol.com>, <donalobrien@aol.com>, <dcarr@pillsburywinthrop.com>, <dkross@attglobal.att>, <dpwheeler@hhlaw.com>  
**Date:** 9/28/06 10:24AM  
**Subject:** RE: Moving on...

All

Sorry for the impersonal nature of this post, but as some of you know, tomorrow will be my last day at Booz Allen. I'm moving on to new projects and exciting opportunities, including finishing a book on Western water policy.

I want to thank all of you for making the past 3-1/2 years a highlight of my professional career. Booz Allen is a terrific organization, and the people who work here are the very best. I've enjoyed the opportunity to work with all of you and I hope we can keep in touch. I apologize in advance if you receive several copies of this email; I just want to make sure you all have my latest contact information.

Keep in touch.

Dan

---

Daniel P. Beard

7355 Swan Point Way

Columbia, MD 21045

Phone: (301) 596-7072

Cell: (703) 819-1465

dan@danbeard.net <mailto:dan@danbeard.net>

**From:** "Daniel P. Beard" <danbeardconsulting@comcast.net>  
**To:** <pat.mulroy@snwa.com>, <murphy\_mike@bah.com>, <donalobrien@aol.com>, <eosann@aceee.org>, <gpearson@daktel.com>, <apratt@audubon.org>, <rsr@vnf.com>, <erieke@mp.usbr.gov>, <jeff@fisherringllc.com>, <crownlane@comcast.net>, <pacificadvocates@hotmail.com>, <rschlickeisen@defenders.org>, "SEIDEMAN, David" <DSEIDEMAN@audubon.org>, <selman\_john@bah.com>, <nseverance@audubon.org>, <pas@patrickashea.com>, <jannasidley@comcast.net>, <bradley.smith@wwu.edu>, <ksmith@audubon.org>, <ssomach@lawssd.com>, <bstorey@do.usbr.gov>, <ststrahl@brookfieldzoo.org>, <suarez\_joseph@bah.com>, <r.stephens@packfound.org>, <j.packard@packfound.org>, <dtaylor@audubon.org>, <golsen@audubon.org>, "Cooney, Mike" <mcooney@mt.gov>, <rtpion@npca.org>, <sheila.tooze@international.gc.ca>, "MARK F TRAUTWEIN" <mfrautwein@sbcglobal.net>, <van\_lee\_reggie@bah.com>, <vigotskyassoc@aol.com>, <mweland@uc.usbr.gov>, <williams@crmw.org>, "Phil Williams" <P.Williams@pwa-ltd.com>, <swoods@kab.org>  
**Date:** 1/31/07 7:24AM  
**Subject:** Speaker Pelosi Announcement

Friends

I thought you might find this press release of interest. I'll keep in touch.

Dan

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News From Speaker Nancy Pelosi  
H-232, The Capitol, Washington D.C. 20515

[www.speaker.gov](http://www.speaker.gov) <<http://www.speaker.gov>>

Wednesday, January 31, 2007

Contact: Brendan Daly, 202-226-7616

Pelosi Names Daniel P. Beard New Chief Administrative Officer

Washington, D.C. - Speaker Nancy Pelosi announced today that she will appoint Daniel P. Beard as the new Chief Administrative Officer. Beard, who recently served as a senior advisor for the consulting firm Booz Allen Hamilton, Inc., has more than three decades of experience in policy affairs and management issues. His government service includes positions with the House of Representatives, Senate, White House, Interior Department, and the Library of Congress.

As Commissioner of the Bureau of Reclamation in the Interior Department, Beard guided the agency on a more environmentally responsible path with an award winning management style that promoted water conservation among agricultural and urban water users. His work in the environmental community includes his role as the former Chief Operating Officer and Senior Vice President for Public Policy at the National Audubon Society and Staff Director of the House Natural Resources Committee.

"Dan Beard's years of work in the many facets of our government, from the



House to the White House, provide him with vast management experience that is necessary to run the crucial functions of the House," Pelosi said. "In his roles at the Bureau of Reclamation and the National Audubon Society, he has proven his ability as an effective leader."

Beard said: "I look forward to returning to Capitol Hill, working on behalf of the American people and Members of Congress. I am excited at the opportunity to apply the management experience I have gained throughout my years in the federal government to ensure the crucial functions of the House run smoothly and effectively."

Beard holds a master's degree and Ph.D. from the University of Washington and lives in Columbia, Md. with his wife, Dana. He will replace current CAO, Jay Eagan, in February.

# # #

**Mail Envelope Properties** (45C0A676.975 : 24 : 6517)

**Subject:** Speaker Pelosi Announcement  
**Creation Date:** 1/31/07 7:22AM  
**From:** "Daniel P. Beard" <danbeardconsulting@comcast.net>  
**Created By:** danbeardconsulting@comcast.net

**Recipients**

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01/31/07 07:22AM

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