



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WATER RIGHTS

Michael O. Leavitt
Governor
Kathleen Clarke
Executive Director
Robert L. Morgan
State Engineer

1594 West North Temple, Suite 220
PO Box 146300
Salt Lake City, Utah 84114-6300
801-538-7240
801-538-7467 (Fax)

October 26, 1998

Mr. Keith D. Allred
Wildlife & Aqua-culture Management
Red Cedar Corporation
Star Route 715
Trout Creek UT 84083

Mr. Glen A. Allred
Treasurer
Red Cedar Corporation
Star Route 705
Trout Creek UT 84083

Re: Distribution of Granite Creek and Allred Dam

Gentlemen:

I have received a number of letters concerning the above-mentioned topics. I hope to put to rest the problems that have been raised. There are two topics to discuss--1) the distribution of the natural flows of Granite Creek, and 2) the safety issues associated with Allred Dam. I will discuss them individually.

Mr. Lee Sim held a discussion at the Red Cedar regulating pond on August 17, 1998. At that meeting it was agreed that Granite Creek would be split one-third to the Douglasses and two-thirds to Red Cedar Corporation for the remainder of the 1998 irrigation season. Both parties agreed. The method of determining the split was outlined (both parties meet at the diversion at 8:00 a.m. each morning). The letter of August 7 was rescinded. This should clear up any diversion problems for the remainder of 1998. It is my understanding that a commissioner for 1999 has been arranged so that these problems will not occur in the future. This should take care of the first problem.

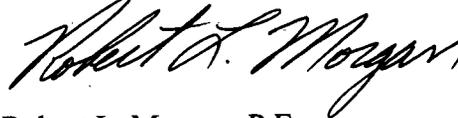
Concerning the dam safety issue, I refer you to a letter dated August 3 signed for me by Richard Hall. In that letter three items were referenced. It is my understanding that a dike has been constructed in the reservoir basin to decrease the surface acreage to reduce evaporation. The willows and trees were planted on the internal dike. It is my opinion that the internal dike offers no hazard to life or property and what you do with it is your business. However, if the trees and willows migrate to the main dam, we start to be concerned. Deep rooted vegetation can cause serious problems for embankments, and it would be our recommendation that such not be allowed to establish on the main dam. We are being very generous with the freeboard required for the main dam. Overtopping is one of the main causes of failure, and I am sure you want to protect your investment in the dam. Item #2 is discretionary with you. I assume you also want to protect your investment here. The letter was not deceitful as alleged.

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After reading the letter sent by Don Duff and communicating with Charlie Thompson, it appears that current efforts by the Division of Wildlife Resources to improve fisheries on Granite and Red Cedar creeks will occur above existing diversion structures. This is not an issue which will affect any of your water rights.

I stand ready to discuss any of these items with you.

Sincerely,



Robert L. Morgan, P.E.
State Engineer

/gm

cc: Richard Hall
Lee Sim ✓
John Mann
Charlie Thompson
Don Duff
Trout Unlimited